



Linnæus University

Sweden

Thesis

Smart World! Working through sustainability strategy in Digital Business

*A case study on Bangladeshi and Pakistani E-commerce
SMEs*



Author: Rida Khalid & Mehbub Alam
Supervisor: Selcen Özturkcan
Examiner: Åsa Gustafsson
Term: VT20
Subject: International Business Strategy
Level: Masters
Course code: 4FE81E



**An investment in knowledge
pays the best interest**

– Benjamin Franklin



Abstract

The thesis aims to investigate the role of sustainability strategy in digital business in Bangladeshi and Pakistani SMEs. To attain our research goal, we made conceptual and theoretical framework, conducted telephonic interviews from digitized e-commerce SMEs working in Bangladesh and Pakistan service sector.

Purpose: The purpose of the report is to explore the critical factors when implementing an integration of sustainability strategy in digital business. While doing this as well as dig deeper into a theory, we made analysis through our conceptual building and interviews.

Methods: In this paper, a qualitative research method has been applied to demonstrate the experiences and activities of the SMEs as they come across, involve and survive by circumstances. A strong perception of phenomena was founded under this research. Before conducting telephone interviews, pilot tests had been taken to understand the significance and depth of the questions.

Results: Based on the interviews it can be concluded that most of the respondents are considering sustainability strategy as competitive advantages and they are willing to utilize human, natural and financial resources in their digital business for maximizing benefit. Most of the respondents are using digital tools at their companies and concerning sustainability strategies to survive in the competing markets, but still the businesses who are working through sustainability strategy in their digital business is not adequate. Sustainability strategies are considered as core values of SMEs while doing digital business.

Practical Implication: The findings ensure sustainability strategies are becoming core value in emerging markets like the mature markets. The



findings conceptualized by the authors can be developed in future for the future studies in other emerging countries besides Bangladesh and Pakistan.

As the results show that sustainability strategy in digital business can bring maximum benefit for the SMEs, the new entrepreneurs might be attracted towards implementing the sustainability strategy in their business.

Keywords: Sustainability Strategy, Digital Business, Sustainability strategies in Digital Business, Digital Business in emerging markets, e-commerce business, SMEs.



Acknowledgments

We, the authors of this thesis, would like to express our greatest gratitude and recognition to everyone who contributed to the writing process of this paper and supported us to overcome all the challenges.

Firstly, we would like to thank our supervisor Dr. Selcen Öztürkcan for her time, patience, valuable advice and willingness to help us to improve our research. We would like to show our special gratitude to the examiner Åsa Gustavsson for providing us useful information and instruction during the whole research period, her guidelines helped us a lot in completing our thesis. We would also like to show respect to all of the professors who threw their valuable lectures at our class during the whole year.

Furthermore, many thanks to our Dr. Susanne Sandberg (International Business Strategy Program Coordinator), Dr. Per Servais (Dean of Department of Marketing) and Associate Professor Dr. Richard Afriyie Owusu. Also, we are showing appreciation to Terese Nilsson (Education Administrator) and Lina Mann (International Students Coordinator)

The authors would like to thank their families, friends and the respondents for valuable ideas, supportive information and constant support during the period of writing process of this thesis.

Finally, we would like to thank each other for collaboration, understanding, supporting and helping each other through the research time. Of course, it needs to have good partners in such creative and labor-intensive work and we are pleased to work together.

Thank you all sincerely!

Mehbub Alam & Rida Khalid



Table of contents

1	Introduction	1
1.1	<i>Background</i>	1
1.2	<i>Problem Discussion</i>	7
1.2.1	Research gap 1:	10
1.2.2	Research Gap 2	10
1.3	<i>Research Question</i>	12
1.4	<i>Research Purpose</i>	12
1.5	<i>Thesis Outline:</i>	13
2	Literature Review	14
2.1	<i>Theoretical Framework</i>	15
2.2	<i>Description of background variable applied in thesis</i>	16
2.2.1	Emerging Markets	16
2.2.2	E-commerce	16
2.2.3	SMEs	17
2.3	<i>Sustainability strategy</i>	19
2.4	<i>Digitalization / Digital business</i>	19
2.5	<i>Views of digitality in Bangladesh and Pakistan</i>	21
2.5.1	Views on digitality in Bangladesh	21
2.5.2	Views on digitality in Pakistan	23
2.5.3	Views on digitality in Bangladesh and Pakistan	25
2.6	<i>Digital businesses in Bangladeshi E-commerce SMEs</i>	26
2.7	<i>Sustainability strategy in Digital Business in Bangladesh E-Commerce SMEs Context</i>	29
2.8	<i>Digital Business in Pakistan E-commerce SMEs</i>	31
2.9	<i>Sustainability Strategy in digitized business in Pakistan E-commerce SMEs context</i>	38
	<i>Operationalization of concepts</i>	42
	<i>Table 1: operationalization table Own table (based on the theoretical framework)</i>	50
3	Methodology	50
3.1	<i>Research Perspective</i>	50
3.2	<i>Research Approach</i>	51
3.3	<i>Research method</i>	51
3.4	<i>Research Strategy</i>	52
3.5	<i>Case Selection</i>	54
3.6	<i>Data Collection Techniques</i>	56
3.6.1	Primary Data Collection:	56
3.6.2	Secondary Data Collection:	56
3.7	<i>Data Analysis Techniques</i>	57
3.8	<i>Respondents</i>	57
	<i>Table 2. Respondents Information</i>	58
3.9	<i>Interview transcription</i>	58
3.10	<i>Quality criteria of qualitative research</i>	59
3.11	<i>Ethical Consideration</i>	60



4	Findings and Analysis	60
4.1	<i>Pakistani respondents</i>	60
4.2	<i>Bangladeshi Respondents</i>	65
5	Discussion	68
5.1	<i>Analysis of digitality in Pakistan's E-commerce SMEs</i>	68
5.2	<i>Analysis of sustainability strategy in E-commerce SMEs in Pakistan</i>	70
5.3	<i>Analysis of digitality in Bangladesh e-commerce SMEs</i>	73
5.4	<i>Analysis of sustainability strategy in E-commerce SMEs in Bangladesh</i>	75
5.5	<i>Similarities/differences on sustainability strategy in Bangladesh and Pakistan</i>	76
5.6	<i>Similarities/differences on digital business E-commerce in Bangladesh and Pakistan</i>	80
6	Conclusion	82
6.1	<i>Answer to the Research Question</i>	82
6.2	<i>Theoretical Implication</i>	84
6.3	<i>Managerial Implication</i>	86
6.4	<i>Limitation</i>	86
6.5	<i>Suggestion for the future research</i>	87
7	References	89
8.	Appendix	110



1 Introduction

This chapter proposes the foundation and comprehensive aspect of the research, and it outlines the background of the sustainability strategy in digital business. It also contributes Bangladeshi and Pakistani prospects of sustainability strategy in digital business practices by e-commerce SMEs.

1.1 Background

In today's age, businesses are being more globalized and converting to digital business. Digital transformation is the new mode of doing business by utilizing digital technologies like cloud, big data, social computing, and analytics resulting, and so on. The digital reconstruction had already launched a few decades ago.

Awareness of sustainability is progressing dramatically nowadays. The world's population is rising, and the concern about climate, water, land, and nature are also growing. Notwithstanding, developed countries' economic progress is increasing for goods and services. This industrial revolution led the new companies to jump into the market and alter their business methods into digital transformation. Nevertheless, from an ethical point of view, every business has responsibilities towards society, economy, and environment. It is essential to increase profits as a business-oriented mind, but many companies have organized the importance of sustainability in a business context, which became a part of their strategic business agenda (Heikkurinen, 2011).

The term sustainability strategy can be used in different ways with different aspects like "meeting the needs of today's generation without compromising the future generations to meet their needs (World Business Council for Sustainable Development, 2005). From a business perspective, sustainability



strategy emphasizes a firm's ability to achieve its business objectives, increase long-term sustainable benefit for its stakeholders by integrating social, economic, and human resources (Wirtenberg et al., 2007).

From the business point of view; sustainability strategy can be defined as the acceptance of business strategies, policies, and action that fulfill the requirements of the firm and its investors or stakeholders currently while, securing, maintaining and improving the natural and human capital that will be required in the future (Ukko, et al., 2019; IISD, 1994). Sustainability strategy can help an organization to maintain environmental sustainability by practicing sustainable human resource and sustainable human resource is more employee-oriented. Moreover, it enables positive relationships between organizations, financial performance, and social impacts. Furthermore, sustainability strategy also allows the influences of stakeholders beyond and within organizations (Indiparambil. 2019).

Sustainability has turned out to be a strategic prime concern for a large number of firms globally as consumers, clients, shareholders, stakeholders, and employees give a standardizing context of rising sustainability responsiveness. This challenges the execution of sustainability strategies in the condition of a firm's mainstream competitive advantage (Margolis & Walsh, 2003; Hahn, Pinkse, Preuss & Figge, 2016).

Existing theories categorizing sustainability strategy for instance implementation as vulnerable to decoupling instead of integration (MacLean & Behnam, 2010; Aguinis & Glavas, 2013). "Decoupling" is described as embracing "the policy symbolically, without executing it considerably" (Haack & Schoeneborn, 2015), which emerges from disassociation in legitimacy among the policy and firm's and its level of implementation (Bromley & Powell). Yuan, Bao, & Verbeke (2011) elucidated that the "tight integration," comparatively, explains the incorporation of sustainability strategy into the extant competitive advantage, as displayed in a firm's services or products and procedures. The most change of the core operations of an



organization is management practices and sustainable reactions to the society, economy, and environment. According to Ebert et al. 2016, society and the environment face a radical change to the development and transformation of digital business and technologies.

Digital transformation of businesses helps in the optimization of the supply chain, modification of products, faster processing of information, knowledge, reducing the energy of consumption. Therefore, Digital transformation is not only impacting profitability but also increasing competitiveness in society, economy, and environment. Digital businesses also impact sustainability by increasing the concern on global warming, pollution impacts of business, social, and economic responsibilities. Digital transformation of businesses helps in the optimization of the supply chain, modification of products, faster processing of information, knowledge, and reducing the energy of consumption. Therefore, Digital transformation is not only impacting on profitability but also increases competitiveness in society, economy, and environment. The digital business also impacts sustainability by increasing the concern on global warming, pollution impacts of business, social, and economic responsibilities (Ziyauddin et. al, 2019).

According to El Sawy et al. (2016), digitalization pushes companies to create and operate new strategies and forces the management to operate activities digitally (Kallinikos et. al 2013). Many of the companies in Europe have already started digital transformation by keeping sustainability as a core value. In Austria sustainability became an issue for both public and private sectors. Finnish SMEs are concerning sustainability and digital transformation. In a digital business strategy, sustainability strategies boost the managerial capabilities to improve the financial performance of the company and the digital operations do not work if the sustainability strategy is not utilized properly (Ukko, Nasiri, Saunila, and Rantala, 2019). Consequently, Sustainability is prioritized in Swedish markets as well. For sustainable digital transformation, the Swedish government focuses on digital strategies. The



motive is for sustainable digital transformation with a view to becoming the world leader in harnessing the opportunity of digital transformation (Swedish Ministry of Enterprise and Innovation, 2017).

The internet revolution in the 21st century made the world smaller, and the influence is not only in technical fields but also in the technological areas. Therefore, many e-commerce companies were coming ahead and started their digital transformation across the world (Drigas & Leliopoulos, 2013). E-commerce activities are classified as different formats like B2B, B2C, B2G, and many more. B2C is also known as business to customers where a company delivers their products or services to the end customers directly or indirectly (Drigas & Leliopoulos, 2013). According to Markley & Lamie (2007) B2C e-commerce business increased rapidly, and in 2005, the total sales were \$189 billion.

Nowadays, the E-commerce sector gained a considerable market share in Bangladesh. Notably, e-commerce businesses that are contributing to B2C services. E-commerce is transforming the techniques of business. B2C business model became very successful by the growth of e-commerce industries and online-based food home delivery services like Foodpanda, HungryNaki, and others (Islam, 2019). Most of the E-commerce SMEs present B2C services through their 70% of transactions are made of the B2B category (Bhowmik & Shenyang, 2012).

As a burgeoning interest in digitalization, people have started online shopping. Most of the SMEs began their businesses from a small level, and now these small businesses are increasing gains through online buying/selling (Bashir, Mehboob & Bhatti, 2019). In the past, online shopping was not conventional because of low customer satisfaction. Neilson (2010) manifested that in the past, people in Pakistan have had unenthusiastic experience with online purchasing, but presently at a global level, online shopping has turned out to be a business trend. Accordingly, entrepreneurs, business owners, and the



government are focused on business and customer transactions security. Businesses are paying more concentration to obtain customer satisfaction.

According to a published report by McKinsey and Company (2019), the international usage and business opportunities have increased in Asian countries such as China, Bangladesh, Pakistan, India, and Malaysia more as compared to the countries situated in Latin America or Euro because of improved digital innovation and the appearance of digitalization and e-commerce marketing and trade. The digital efforts of Pakistan have commenced starting with the focus of the state for digitized Pakistan. The Prime Minister of Pakistan, Imran Khan, launched the digital Pakistan mission in 2019. The measures fixed for digitality in Pakistan and it is composed both for the state, and private sectors to work in the direction of digital and revisionist Pakistan by improving connectivity, enhanced digital infrastructure, financing in literacy and digital skills, strengthening the innovation, entrepreneurship and small and medium enterprises (SMEs) (Digital Pakistan, 2019). This endeavor of the government of Pakistan would also entice private firms to invest in the digital technology projects of Pakistan, consequently taking to the substantial potential for different businesses, both B2B and B2C organizations.

Nearly 44.6 million citizens of Pakistan are active users of interest, with a growth rate of 22% every year. Pakistan has 32 million active Facebook users. The smartphone and android penetration rates in Pakistan are 34%, one of the greatest in the South Asia region (Pakistan e-commerce, 2019). Besides, Pakistan being on the shortlist of 5G ready countries with Zong's successful experiment depicts the enormous possibility of massive growth in mobile e-commerce in Pakistan in the upcoming years (Hussain, 2019).

The e-commerce sector is attentively paying attention, particularly to consumer products. Online clients in Pakistan are looking for buy consumer electronics and cell phones, employment queries, education over the web or distance learning through internet and online counseling, buy/sale and



information collecting about automobiles, computers, laptops and other digital accessories, Monterey services, branded motorbikes, preparation of tests, online classes and teaching, online shopping of clothes, cosmetics, and other accessories. The trend of online buying and selling is getting appreciation tremendously. There are no restricted browsers in Pakistan (International trade administration, 2019).

With the population of around 207 million and an overall GDP of near to \$305 billion, Pakistan is on the seventh number in the Middle East, African, and South Asian regions, as estimated in Purchasing Power Parity (PPP) (Market Overview, 2019). To enhance the evolution of progress, Pakistan and China are working collectively on the megaproject China-Pakistan Economic Corridor (CPEC). This project is worth more than \$62 billion, targeting to improve the energy ports, trade, and shipping sector and other big-budget infrastructure schemes. Due to this, it will be much more manageable to imports and exports (Market Challenges, 2019).

The research focuses on creating a nexus between sustainability strategy and digital business transformation in the E-commerce sector. The study also includes that digital transformation significantly impacts sustainability. Furthermore, in the research, the authors will identify the challenges that E-commerce business (B2C) face to practice sustainability, and how the sustainability strategy is a benefit to digitize business. Furthermore, the authors will evaluate the view of sustainability through digitalization in Bangladeshi and Pakistani perspectives.

In Bangladesh and Pakistan, while the positive amendments have been remarked in e-commerce businesses, sustainability strategy is almost untouched. The majority of firms or SMEs believe that sustainability strategy is related to a protected and clean environment. Because of a lack of research and awareness, half of SMEs even don't have precise knowledge about sustainability itself. This analysis will serve current and future researchers,



businesses, and especially SMEs to realize that sustainability strategy is the approval of those business policies that achieve the business goals presently while obtaining, preserving, and enhancing the natural, financial and human capital that will be needed in the future. Businesses, especially SMEs, should be informed by securing and investing in the natural, economic, and social resources businesses will get maximum earnings in the future. Business policies can be changed if desired goals are not meeting, but it's not efficient for business if managers and stakeholders change the business policies every other day.

Therefore, we highlight this issue by focusing on the B2C e-commerce sector of Bangladesh and Pakistan. This research is mainly targeting e-commerce SMEs. In this study we are focusing on the role of sustainability strategy in digitized SMEs. The reason for targeting SMEs is because of their lack of resources, ineffective policies, and management. SMEs have been marked as numerous vital actors in the country's industrial growth and sustainability. Research suggests that three out of five progressed SMEs fall in the commencement of five years of their expansion due to the unstable and highly competitive environment. SMEs frequently abandon because of their ineffectiveness to embrace strategic management in their business.

1.2 Problem Discussion

The concept of sustainability and digital business is universal. Kayikci (2018) quoted that digitalization makes information and communication easier, available anywhere and anytime by using digital accessories. With the spread of new technology, a great portion of the companies are going for digital transformation. Companies are storing their information on the internet and as in 1993, almost 3% of information was recorded digitally and it reached 94% in 2007 (Stuermer et al. 2017). Logistics, human resources, finance, services, etc. are now monitored digitally. Many of the firms and stores are going to



reduce their physical offices and move to a digital platform to reduce costs and make life easier.

Ukku et al. (2019) made a research to examine the relationship between digital business strategy, sustainability, and financial performance. In the research paper, the authors emphasized managerial and operational capability which is needed to realize a digital business strategy. The authors focused on the Finnish markets and conducted surveys from 280 SMEs. (Brunnström et al., 2020) aimed to develop research on innovation programs concerning the Swedish digital media distribution. In the research market, the authors focused on the Swedish industry and Swedish society. Besides, the authors also pointed out the difficulties, challenges, international competitiveness, and sustainable solutions to global societal challenges. Vidhya and Wilsdon (2008) focused on digital sustainability in the European perspective. The authors tried to explore the alignment policies in Europe in eCommerce, digital business, and environmental sustainability.

Jovanovic, Dlacic, and Okanovic (2018) examined the digitalization impact on the main sustainability components: economy, society, and environments. The authors also tried to explain the concepts of sustainable development, macro marketing, and the relationship between sustainable development and digitalization. Forcadell, Aracil, and Úbeda (2020) tried to make another research on the impacts of sustainability and digitalization in International Banks' performance. In the research paper, the authors collected data from 13 countries. The authors did not emphasize on the Asian markets or any Asian banks. The authors made comparative studies between banks in Canada, the USA, Australia, and other European countries.

The most outstanding challenges in the twenty-first century are the internet revolution and global warming. Things are becoming easier and the environment has always been changing. This environmental change brings both opportunities and threats. It is about 3000 years back; we had a classical economy (agriculture-based economy). Between 1780-1860, we had the



industrial revolution, and just after the Second World War, we are in a new era of computers and the internet which brought the digital revolution (Choi, 2017).

Choi and Mai (2018), also made a research on the sustainable role of the E-trust and in the B2B E-commerce sectors of Vietnam. In the research paper, the authors focused on Vietnam as a new emerging market and tried to promote its E-commerce market in Southeast Asia. The authors also tried to build a nexus between sustainability and e-business/digital business revolution. The authors also tried to build a comparative analysis between Vietnam's popular e-commerce industry called Lazada with Amazon and Alibaba.

As a growing interest in sustainability strategy and digitalization in developed countries has been noticed; however, the research on the sustainability strategy and digitalization in the emerging markets still needs attention. This research is focusing on the South Asia region, particularly Bangladesh and Pakistan. The authors are interested in conducting research on this topic in specific areas to discover the research problem in that zone.

By the increasing engagement towards digitalization in B2B and B2C in Bangladesh and Pakistan SMEs, authors have marked that researchers in Bangladesh and Pakistan have started conducting their research in the domain of digital business and digital marketing. But, the current research on digitization in Bangladesh and Pakistan is still not adequate. From the past few years, governments are actively taking steps to digitize the businesses and state departments. Moreover, the sustainability strategy, which is entirely new in Bangladesh and Pakistan, most of the SMEs have this notion that sustainability strategy is relevant to a clean and safe environment. Notwithstanding, this research directs to explore that sustainability strategy, which itself embraces three significant elements of businesses: human resources, financial resources, and natural resources, and by securing all these three elements, how stakeholders or business owners can get supreme gains. Consequently, the consequence of conducting this research is to investigate



how the sustainability strategy supplies the maximum profit to digitalized SMEs in Bangladesh and Pakistan.

1.2.1 Research gap 1:

A lot of research has already been conducted on Sustainability and E-commerce. However, most of the researches showed interest and conducted their research based on the European perspective. A very few researches had been conducted from an Asian perspective. But there is no research on combining digital business and sustainability which is representing South Asian emerging markets. Bangladesh and Pakistan both are prospective emerging markets from South Asia and both countries are situated in a strategic location geographically. Both Bangladesh and Pakistan's law, legal systems, and regulation is based on the British Indian law (Qureshi, 2013). Before, 1971, both Bangladesh and Pakistan were the same country. Bangladesh was known as East Pakistan and after getting independence in 1971, It is known as Bangladesh as not it is now. According to Greenleaf (2014), Bangladesh was a part of British India before 1947 and also was a part of Pakistan before 1971 still following the same British laws but there are some modifications (e.g. ICT laws had been developed in 2006). Bangladesh and Pakistan have similarities in culture, norms, beliefs, foods, and dresses (Schendel, 2009).

1.2.2 Research Gap 2

According to Alvesson and Sandberg (2011), the research gap is the lack of information on research on a particular topic. Research gap and Problematization are two different ways of researching the existing literature and research. Problematization creates debates, critiques, and possibly challenges the existing assumptions in the research. Hence, there is not enough literature on Sustainability strategies on Digital business in Bangladeshi and Pakistani contexts, there is a huge research gap.



Apart from that the major research gap that still needs spotlight is the limited amount of data on how managers and other employees are viewing or supporting sustainability. There is a huge amount of data available, especially job satisfaction, organizational performance, leadership, mindfulness, turnover intentions, performance appraisal etc., in emerging markets mainly (Pakistan & Bangladesh) but the research on how managers are working for sustainability or how managers are giving awareness to other employees about sustainability is less. Sheth and Sinha (2015) suggested that their understanding could be better because of the voice of employees, leaders, and managers on a sustainability perspective in business-to-business in emerging markets. Because of the lack of data available, the researchers also suggested that future research should be done on sustainability in digital businesses in the emerging markets. Ates (2020) discovered that sustainability is beneficial for the stakeholders and firms who are not following it to fulfill the stakeholder requirement, it would be a disadvantageous image for the particular firm in the market. It is also mandatory to know the views about sustainability from employees from emerging market firms.

Considering the Asian Economy, China, India, Pakistan, Bangladesh and etc are the emerging markets where the economy is growing fast. Most of the multinational companies are moving to the emerging markets to operate their business and establish their manufacturing plants. The reason behind the rapid growth of emerging markets is technological development and women empowerment. Both manufacturing and service industries are contributing to the emerging economies' GDP.

Therefore, in this research paper, the authors are trying to conduct comparative research on sustainability in digital E-commerce businesses in Bangladesh and Pakistani markets. Both authors are from South Asia and the authors have very strong geographic, economic, and social knowledge about the markets. Therefore, the authors are willing to build the interconnection between sustainability Strategy and E-commerce business (B2C). The paper



1.3 Research Question

To examine the purpose, following question will be used:

1. What are the views of digitality on E-commerce SMEs of Bangladesh and Pakistan?
2. How E-commerce SMEs are applying sustainability strategy in their business in Bangladesh and Pakistan?
3. What can the managers consider in the future for utilizing sustainability strategy in their digital business?

1.4 Research Purpose

1. To explore the role of digitality in e-commerce SMEs in Bangladesh and Pakistan
2. To discover how the Bangladeshi and Pakistani E-commerce SMEs are applying sustainability strategies in their business.
3. To explore the future concern of E-commerce SMEs to utilize sustainability strategies in Bangladesh and Pakistan

This paper may assist the companies to understand the factors that can inhibit these emerging markets to boost the development of their firms, organizations. This paper also may help by opening a new perspective on sustainability through digitalization in emerging markets. Moreover, this paper will also encourage the other researchers but especially the new researchers from emerging markets to bring more views on sustainability strategies and digitalization in the e-commerce sector. This research will not only help academic researchers but also favorable for the managers to give awareness to the firm employees.



1.5 Thesis Outline:

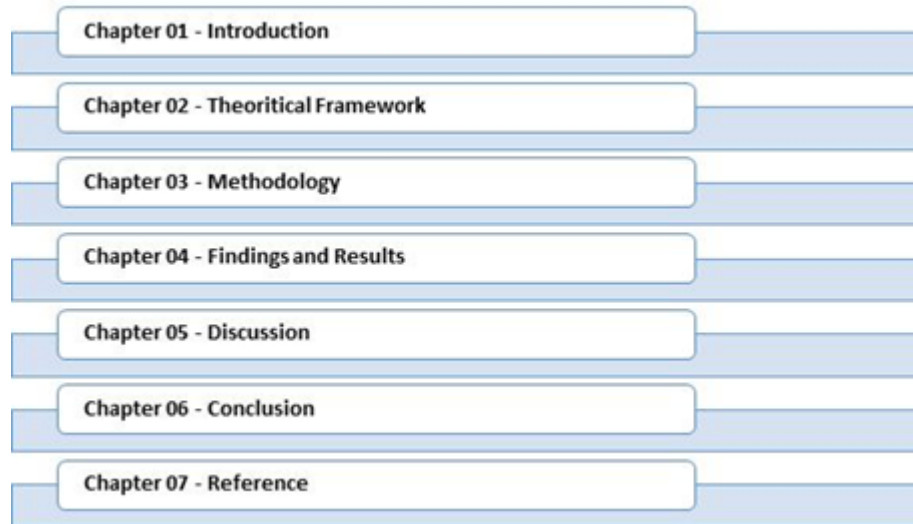


Figure 1: Thesis Outline

Chapter 1: The main concept that represents the background of the research paper will be introduced in this section. Problem discussion, the purpose of the paper, research questions are discussed in this section as well.

Chapter 02: In this chapter, the authors reviewed the academic literature and discussed it. Theories on Sustainability, Digital Business concepts and SMEs are building the theoretical framework for this paper which will be analyzed on the results.

Chapter 03: In this chapter, the authors introduced the method used to identify the results.

Chapter 04: This chapter discussed the findings related to working through sustainability in digital business in Bangladesh and Pakistan. This chapter starts with sustainable activities by Bangladesh and Pakistani SMEs in digital business. Thereafter, this chapter focuses on the results and findings by interviews.

Chapter 05: The data found in chapter 04 will be discussed in this chapter in the light of the framework discussed in chapter 02



Chapter 06: From the analysis of chapter 04 and chapter 05, the authors conclude the findings and suggest the scope of further research.

Chapter 07: All the references that had been used in the paper will be introduced in this section.

2 Literature Review

In this chapter, we will examine the contribution of authors on service sectors of emerging markets, sustainability strategies in digital business. We will focus on sustainability strategy in Bangladeshi and Pakistani SMEs context. Furthermore, we will discuss the sustainability strategy in digital business. The figure 2 illustrates the detailed information of the particular headings which are giving the answer of each research question.

No	Research Question	Heading
1.	<i>What are the views of digitality on E-commerce SMEs of Bangladesh and Pakistan?</i>	Literature review heading 2.6, 2.7, and 2.9
2.	<i>How E-commerce SMEs are applying sustainability strategy in their business in Bangladesh and Pakistan?</i>	Literature review heading 2.5, 2.8, and 2.10
3.	<i>What can the managers consider in the future for utilizing sustainability strategy in their digital business?</i>	

Figure 2

2.1 Theoretical Framework

Theoretical framework explains the path of a research and grounds it in theoretical constructs. The overall aim is to give the clear idea of doing research and how the research is going to be constructed and ensure the generalizability. In this paper, the authors introduced different theoretical frameworks to relate SMEs in the service sector of two emerging markets to work through sustainability strategies in their digital markets.

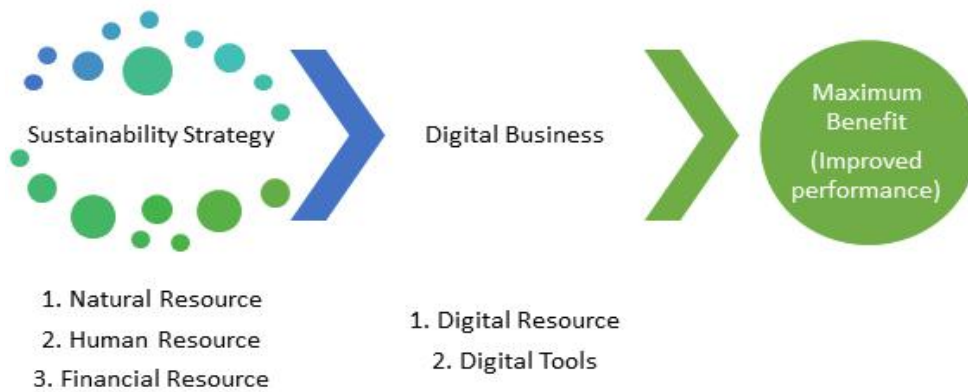


Figure 3: Working Through Sustainability Strategy in Digital Business

Sustainability strategy emphasized on right utilizing of human, natural and financial resources. If SMEs are going to apply sustainability strategies in their digital business that might bring the maximum benefit to the company. In this paper, we are focusing on SMEs from Service sectors (IT industry and E-commerce industries) of Bangladesh and Pakistan.



2.2 Description of background variable applied in thesis

2.2.1 Emerging Markets

In the 1980s, World Bank Economist Antonio van Agtmael established the concept of “emerging market” to make the present categorization of countries as being “developed”, “developing” or “less developed” (Schumpeter, 1939; Agtmael, 2013). Vercueil (2012) expressed that emerging markets are those encountering fast growth, integrated with financial and political reforms. These countries are redesigning their economies through market-aligning trends, along with well-balanced or firm currencies and transparent markets as part of endeavors to gain interest of investors (Bennett and Smith, 2004). Emerging markets are enjoying development in domestic and international investments (Schwartz and Bar-El, 2004).

Scholars are often sensible on defining emerging markets as there are varying formal definitions of emerging markets. According to Khanna (2010), an emerging market is a market that is not there yet but it is one the way to getting there. All the economies are not considered as advanced or matured (Hoskisson et al., 2000; Wright et al., 2005). Some economies are matured and some are trying to be matured. Carrasco and Williams (2002) stated a definition of emerging markets that emerging markets are characterized by significant and rapid growth of GDP on an aggregate and per capita basis, trade volumes and increased foreign reserves.

2.2.2 E-commerce

Online buying and shopping have turned out to be more and more admired and in-demand from last decade, which takes to a development on online digitized stations. Large numbers of transactions have been transferred to the web which leads to a progressiveness on web-based businesses like Amazon, Tmall, eBay, and JD (Li, 2020). E-commerce shows not only



online purchasing, but also various other procedures and activities like developing accurate promotions and advertisements, selling various products and services, and also new public relations. E-commerce comes with several benefits not only to vendors but also to clients by creating direct contact between the seller and buyer over a web-based system and no requirement for personal communication (Hasan, 2019). E-commerce in the formation of business to the customer is an attempt by firms to make the most unique digitized online environment required to engage the potential customers to sell their products and services (Sachenko, 2019).

E-commerce brings new opportunities and various kinds of business procedures for attracting customers as well as different types of new services and shopping environments. Utility of e-commerce technologies can have a positive impact in improving business efficiencies, in searching and offering services to the customers, and expanding to the new market as well (Sachdeva, Narwal, & Kant, 2018). Sajuyigbe (2012) presented that e-commerce boosts the customer relationship by competency and effectiveness of the work-team and in such a way, it generates and endorses relationships with clients and satisfies the clients.

2.2.3 SMEs

It is really difficult to define SME as there is no specific definition of them. According to Hatten (2011), the most common distinctions between large and SME is based on the number of employees. Pula and Berisha (2015) mentioned in their research that the World Bank has three criteria for defining SMEs and those are the total number of employees, total assets in the US dollar and annual sales in the US dollar (IEG, 2008). According to IEG (2008), the company has employees between 10 to 50, total annual assets less than USD 3 million, and total annual sales less than USD 3 million is a small enterprise. On the other hand, the company has employees



between, has total sales of less than USD 15 million, and total annual assets less than USD 15 million is medium enterprise.

European Commission (EC, 2003) categorized SMEs under various groups based on their annual income, balance sheet and total number of employees and laborers. SMEs were supposed as the venture that have less than 250 employees and have the yearly turnover less than EUR 50 million, and/or yearly balance sheet total less than EUR 43 million (Mittal et al., 2019). Small and medium enterprises (SMEs) act as significant players at the economical stage of the country. SMEs are accelerating the strength of the country's economy and remarkably participate in the employment and financial growth, securing profitability, success and social stability of particular countries (Labudová and Jánošová, 2019). They play as a supplier of numerous large enterprises and therefore act a pivotal character in various value creation processes along with the supply chain (Muller, Buliga, and Voigt, 2018).

SMEs are also considered as the backbone of most countries in an economical context (Schiersch, 2009; Husin and Ibrahim, 2014; Sommer, 2015; Jankowska, Götz, and Glowka, 2017). Since Small and medium enterprises seem to be supportive for a country's economy, consequently, for an economy to be progressive it becomes essential to assist SMEs with the right practices (Issa, Lucke, and Bauernhansl, 2017). They have a dominant rank in the development of entrepreneurial spirit in a country and in keeping-up innovation, and therefore have a significant impact on the competitiveness and job creation rate of a country. It is not prototypical for small and medium enterprises to be held by the international entities. They show the local or domestic business influence, either positive or negative (Labudová and Jánošová, 2019).



2.3 Sustainability strategy

Sustainability can last decoupled from or on border to firm's practices if the primary goal is mainly to gather outside authority (Crilly, Zollo, Hansen; 2012; Crilly, Hansen, & Zollo, 2016). Still, even when the goal is to adopt sustainability inside an organization, integration is mostly extensive with tensions via the legitimacy of these practices within the existing competitive or profit-seeking actions of a firm (Smith & Besharov, 2019). Sustainability strategies give directions to firm's social and environmental duties in domains like policy of product and human standards (Surroca, Tribo, & Waddock, 2010). The major point is how sustainability closely and tightly integrated with or can be separate from a firm's mainstream or conventional strategy is mystifying. Researchers highlighted a consolidative perspective in which sustainability strategy is closely desegregated into a firms' process, schedules, routines and actions. Managers must therefore embrace their firm's practices at the implementation stage in order to solve the tensions (Smith, 2014) and come with the integration, instead of decoupling, of the sustainability strategy with the firm's mainstream strategy at the organizational level (Hengst et al., 2020).

2.4 Digitalization / Digital business

Being at the age of digital era and technological development, competitiveness is increasing in the world economies. As a result, mature markets are leading the world economies and emerging markets are trying to reach the leading positions. The development depends on the information technology and technological advancements. According to Mahathir (1991), there is no mature and developed market/ country that has poor information and technology and no rich information and technology country is poor and undeveloped. Consequently, women are coming to the



workforce, the level of income and education is increasing in Asia compared to the previous generation. These factors are the drivers of the revolution in service sectors in Asia.

Expeditious technological transformation over the past few years have displayed the content or service industry with a huge amount of opportunities as well as challenges. The digital foundation of business and society has transferred revolutionary, researchers, scholars and managers alike have appreciated the role of information technology (IT) has experienced an enormous variation (Oestreicher-Singer, and Zalmanson, 2013). Digital businesses utilize technology to generate new value in whole business models, customer experience and the capabilities of the inside firm that aids its fundamental practices. Digital business is run by opportunities to enlarge the selection space, mostly intruding on the place of different industries and including new aspects of customer, firm, and business partner value (Keen and Williams, 2013). Digital variation surrounds central transformations in the whole business activities and plans, organization capabilities, and operational practices (Cui and Pan, 2015).

Digital transformation is rapidly making businesses powerful and efficient, merging business operations and activities, structures, and processes in digitized form (Park and Mithas, 2020). Digital business is noticeable by innovation via interface: to clients, business partners, and suppliers. The IT architecture firms regulate the aims, policies and platform for interfacing. Therefore, selection of technology and standards control the enterprise's business degree of liberty: its platform chances or opportunities. IT is a hub for shrinking of links and authorizing the origin of human capital upon which the enterprise can make: more than 70% of IT budgets are for services. Almost every company is now on digital business platforms (Keen and Williams, 2013).



Massive growth of the digital economy along with the rapid development of information and technology is having an impact in the world economy. It allows the business to cross borders and reduce the trade barriers. Asian economies are trying to grave the digital business and trying to switch from the traditional business/economies (Sung, 2009). The digital revolution has enhanced electronic ecommerce and drives the same by providing the necessary support through technology. According to Katz et al (2013), digitalization is social transformation triggered by the massive adoption of digital technologies to generate process, share and transact information. A digital firm can easily transform business activities and create values (Barnir, Gallagher & Auger, 2002). According to Zhu, Kraemer and Xu (2002), technological, organizational and environmental factors can be interconnected for better adoption of digital business and these factors lead the value of digital business.

South Korea, Taiwan, Malaysia, Singapore, Vietnam, China and India have become larger forces in the world economy considering the emerging markets (Zhu et al., 2002). Geographically, Bangladesh and Pakistan are situated in a strategic location. Both Bangladesh and Pakistan are considered as emerging markets and both countries are trying to absorb the technological advancements and digital business.

2.5 Views of digitality in Bangladesh and Pakistan

2.5.1 Views on digitality in Bangladesh

Information and communication technologies are recognized as a powerful tool for social and economic development. According to Katz et al. (2013), digitalization is the social transformation triggered by the massive adoption of digital technologies and a business can transform to digitalization by adopting digital technologies and tools.



Bangladesh is one of the most densely populated country in the world with more than 154.41 million population and 77 million can be included as internet user (Islam 2018; Bangladesh Telecommunication Regulatory Commission (BTRC), 2019). In Bangladesh the E-commerce sector has massively exceeded for the past few years. The reason behind this is network accessibility for rural and backward communities, skilled IT personal, trustworthiness on IT and sufficient bandwidth. After 2013, Bangladeshi government started providing E- services to all of the 64 districts. Government also started providing different incentives to develop the ICT sectors. With a view to digitalization, Government launched i-banking facilities to all government owned banking institution and rest private owned institutions also started telephone banking, i-banking etc.

In the communication sectors, both official and unofficial conversation are used to do by email. Especially for sending invoice, confirmation of receiving goods and services are notified by email. Email is becoming more popular digital tools in E-commerce sector. Besides, different social applications like WhatsApp, Facebook and so on are being used for the instant communication unofficially. Facebook has brought a new revolution in the e-commerce sector and created F-commerce in Bangladesh. Many of the small entrepreneur is coming with their products and services and selling through Facebook. (Islam, 2018). Bangladeshi educational system already included e-learning at academic curriculum to provide the opportunities to the students about ICT worlds. Therefore, from beginning, students and children are getting opportunity to be used to with digital tools.

Considering the E-commerce sectors, the key logistics and distribution operations are Bangladesh Post Office, different courier services, TNT, ELS and so on. All of them are using their own digital platform to provide logistics and distribution supports to the e-commerce sectors. People had set their mindset that purchasing services and products from online is saving time and



easier than in real from store. More than 18-23% mobile phone users are using them smartphone and they have e-commerce and internet friendly interface. Therefore, annual growth of E-commerce sectors for the past three years had been increased by 200% According to Bangladesh Bank (2008), the payments and transections by credit card was nearly 11 billion Bangladeshi Taka in 2008. Currently more than 1000 e-commerce entrepreneurs are running business in Bangladesh running their business through their websites and approximately 8200 Facebook pages are also running their business. (Islam, 2018).

2.5.2 Views on digitality in Pakistan

Pakistan is one of those economies where digitalization is activating transformation in various elements of the service sectors of SMEs. The transfer is most dominant in parts like e-commerce, e-government, and fintech, where new ventures and accesses to offer services are picking up. Particularly, the size of market of e-commerce has considerably grown in Pakistan over the past decade, changing the way of consumer interaction with- and specifically pay business (The News Report, 2019).

The digital sector industry is growing, statistical data presents that in the first quarter financial year 2017-2018, the number of e-commerce dealers was 496 which increased 1,094 by the end of the year and was almost 1,242 by the first quarter of 2018-2019. E-commerce business transactions operated by these users are also growing proportionally (Small and Medium Enterprises Development Authority (SMEDA), 2020).

E-commerce has a powerful capacity to expand in Pakistan and to assist in raising the country's financial growth. Pakistan in the past few years has introduced a robust ICT (Islamabad Capital Territory) sector by privatizing the telecommunication sector, making an environment favorable to a



growth of its IT-enabled service industry, and preparing an information society with broad dispersal of ICT and the internet. Pakistan which has 220,380,264 population (21st May, 2020, Worldometers) in the 15 to 24 age group 20.94% and 25 to 64 age group 38.04% (IndexMundi, 2019), shows a gigantic human and skilled and knowledge capital.

Pakistan has more than 2000 IT firms including SMEs, call centers and the figure is rising every year. The country has more than 300,000 English-speaking IT specialized experts with professional knowledge and skills in present and emerging IT products and technologies, 13 Software technology parks. There are more than 20,000 IT graduates and engineers are being graduated every year paired with an emerging startup culture (E-commerce policy framework of Pakistan, 2019).

E-commerce business transactions operated by these users are also growing proportionally. Pakistan is the fourth largest expanding supplier of freelance services with 47% only behind the United States, United Kingdom, and Brazil (The Global Payment Platform Payoneers Global Gig Economy Index, 2019).

According to PTA (2019), there were 165 million cellular subscribers, 76 million of 3g/4g subscriber and 78 million of broadband subscriber in Pakistan. Therefore, the number of e-commerce merchants increased by 2.6 times and e-commerce payment increased by 2.3 times in Pakistan. The sales of local and international e-commerce were Rs. 20.7 billion in 2017 and in 2018 it reached to Rs. 40.1 billion. More than 60% of transactions are made in “cash on delivery” in Pakistan. Furthermore, around 64% of Pakistan’s population is under the age of 29 (Commerce Ministry of Pakistan, 2019) and the youth generation is more flexible with the technology and they adopted the e-commerce services very quickly.



2.5.3 Views on digitality in Bangladesh and Pakistan

After the separation in 1971, both Pakistan and Bangladesh are trying to reconstruct the infrastructure and the economy. Both countries were dependent on Agriculture (Shafique, 2017; Mondal 2010). With the passing of the both governments understood the importance of Digitality and emphasized it. Therefore, both countries are having blessed by technologies, e-payment, e-platform. The revolution started with I-banking and mobile banking service which made transections easier than before (e.g: Pakistan people are using easy paisa, in Bangladesh people are using Bkash, Nogod and so on.) (Alli & Shahed, 2016).

In the communication sectors, both official and unofficial conversations are used to do by email. Especially for sending invoices, confirmation of receiving goods and services are notified by email. Email is becoming more popular digital tools in the E-commerce sector. Besides, different social applications like WhatsApp, Facebook, and so on are being used for instant communication unofficially. Facebook has brought a new revolution in the e-commerce sector and created F- commerce in Bangladesh. Many of the small entrepreneurs are coming with their products and services and selling through Facebook. (Islam, 2018).

The e-commerce sector in Pakistan (The News Report, 2019; SMEDA, 2020) and the e-commerce sector in Bangladesh (Ministry of Finance Bangladesh, 2019) are growing drastically. The interest towards digitalization has been noticed from last decade when the governments of both emerging markets Bangladesh and Pakistan started taking progressive steps for the improvement of digital businesses and overall e-commerce domain (E-commerce policy framework of Pakistan, 2019; Everest Group, 2017). Moreover, the large number of cellular, 3g/4g and broadband subscribers (Pakistan Telecommunication Authority (PTA), 2019; Bangladesh Telecommunication



Regulatory Commission (BTRC), 2019) have shown the prominent interest towards the online businesses and its facilities as well.

2.6 Digital businesses in Bangladeshi E-commerce SMEs

Different countries and organizations define SME in different ways and the government of Bangladesh characterized the SMEs into two broad classes; manufacturing enterprise and non-manufacturing enterprise (Ahmed & Chowdhury, 2012). Non-manufacturing enterprises emphasized on trading and service sectors. In small enterprise, the number of employees should be below 25 and in medium enterprise, the number of employees is 25 to 100. According to Bangladesh Bank (2010), in service sectors, small enterprises should have fixed assets worth 50,000-50, 00, 000 and the manpower not above 25. Consequently, in the service sector, medium enterprises should have fixed assets 50, 00,000 -10, 00, 00,000 BDT and the employees not above 50. Both private and foreign banks have opened 250 SME service centers to provide more facilities to SME clients in order to finance in agricultural, manufacturing and service sectors. (Bangladesh Bank, 2010). More than 10 million of SMEs are operating in Bangladesh and contributing 23% of total annual GDP of the country (World Bank Group, 2019)

Considering the total GDP of Bangladesh, in 2015, contribution of the service sector to Bangladesh GDP was 53.71% (Statista, 2020). In 2017 the contribution of the service sector in GDP was 53.48% and in 2018, it was 52.96%. Contribution of the service sector to the GDP rising in Bangladesh is increasing smoothly (Abdin 2016). Service sector is a combination of different sub sectors. Those are:

Migration: Migration is one of the major sub-sectors of the service sector which contributes to the country's GDP. In 2018, it alone contributed \$15.5 billion in Bangladeshi's GDP as remittance. In 2017, it was \$13.5 billion and in 2016, it was \$13.57 billion. Remittance is not only contributing in



GDP but also helping to remove poverty. Abdin (2016), cited that remittance is helping to increase the employment and socioeconomic development of Bangladesh.

Banks and Financial Institutions: Banks and other non-financial institutions are another sub-sector of Bangladeshi service sector. Private banking sectors made a revolution in the banking service industry for the last two decades. Most of the banks are opening their branches in big cities and transforming to digital business. SMEs and other private institutions are getting loan offers in easy terms and conditions from the banks and financial institutions (Abdin, 2016).

Education and Hospitals: Hospitals and educational institutions are increasing in Bangladesh day by day. Both the government and private sectors are contributing and trying to provide services to the society. More than 583 government hospitals and 2501 registered non-government hospitals are operating in Bangladesh. More than 100 universities are also providing educational services to the students (Abdin, 2016).

Not only the above-mentioned sub-sectors, but also Information-technology development brought revolution in the service sector. Information-technology development and communication development increased the employment by introducing e-commerce and outsourcing services (Abedin 2016).

Businesses across the world are now being obliged to the age of the digital economy. Information and communication technology explosion have condensed the business and all kinds of operations. Bangladesh as an emerging market, trying to transform to digital business. This economy is protecting its global economic recession and maintained 6.00% growth on average for the past ten years (Ministry of Finance, 2019).



In service sectors, the estimated size of ICT industries is valued at \$1.1 billion and forecasted value in 2020 is 2.3-2.6 \$billion (Everest Group, 2017). Most of the IT industries are providing online services and many of them do not have physical offices but manage the whole company from their virtual office/platform.

The government of Bangladesh is providing different types of incentives to the ICT industries to establish a modern and resourceful country by 2021 with slogan “Vision 2021-Digital Bangladesh” (Habib & Baizid, year 2010). The incentives include a mix of both training and tax related incentives (eg. 100% corporate tax exemption till 2024). The country is also increasing the power generation capacity to 15,000 MW which is almost 400% growth than the past decade (LICT, 2017; Kartik, Kala, Jain and Gupta, 2020). Bangladesh is on the 8th number of expanding suppliers of freelance services with 27% in top 10 countries. (The Global Payment Platform Payoneers Global Gig Economy Index, 2019).

The E-commerce sector is changing the way people do business in Bangladesh. More like the Western and Nordic countries, Bangladesh is developing the e-commerce sector. Both large corporations and the SMEs are operating their business online and opening their products and services to young people. At the end of 2017, 15% of Bangladeshi had access to the internet (World Bank data, 2018) and 91.2 million people got accessed to the internet at the end of 2019 (statista, 2019). With the blessing of internet access, most of the businesses are transforming digitally.

The e-commerce sectors are operating with three scopes in Bangladesh. Those are: B2C (business to consumer), B2B (Business to Business), and B2G (Business to government. B2C ecommerce is most popular in Bangladesh because of its strong infrastructural and legal environment. B2C e-commerce is potential but on a narrow scale at this time in Bangladesh.



General people are the leading consumer of these sectors. (Bhowmick, 2012)

A core demand for e-commerce business is to develop safe and effective electronic payment agreements. Electronic payment systems include credit cards, digital checks, debit cards, click-cards, mobile banking, smart cards, and gift cards. Digital signature is also needed to establish the e-commerce sectors. Success of e-commerce business lies on consumer security and protection. Customers own data should be safe and secret. There should be few other facilities like transparency, self-regulatory protections, cancellations and repayment policies, and efficient enforcements. (Bhowmick, 2012)

The Bangladesh government is trying to establish a regulatory framework for the e-commerce sector. A committee has been made up to ensure the cyber securities and E-payment and E-signatures are also going to launch very soon. A survey was conducted in 2015 and the research showed that almost 90% of e-commerce transactions are made in “cash on delivery”, 6% transactions are made in “mobile banking”, and 4% transactions are made in “debit/credit card” (Karim & Qi, 2018).

2.7 Sustainability strategy in Digital Business in Bangladesh E-Commerce SMEs Context

In digital business, the most important is consumer protections and managing a very good customer chain as well as supply chain. Most of the e-commerce sectors are trying to build user friendly portals with strong privacy policy which is increasing the client’s activities in e-commerce sites. On the other hand, the SMEs like chaldal.com, bikroy.com, bagdoo.com, and etc. are focusing on their marketing policies to attract more customers. Therefore, the financial and economic activities are becoming smooth. Because of strong privacy policy, cyber law and availability of online payment services, people



are interested in online payment services by debit/credit cards rather than cash on delivery (Karim & Qi, 2018).

According to SME Foundation (2017), 40% of revenue earned by the software firms goes for the salary for the employees and professionals. Most of the fresh graduates start their career as programmers, web developers and the average salary appears to be around BDT 15000 per month. After a certain period of time they get higher salaries from the firm. Besides, the employees are getting health and medical insurance, different types of incentives from the company. This is motivating the employees to work hard and balancing the working environment. Many of the IT firms have their own online platform to arrange virtual meetings. Therefore, the employees are getting opportunities to work from home. Most of the SMEs are reducing their paper works and moving to the technologies. Most of the companies are using accounting software for their accounting activities rather than writing on paper.

Many of the companies like daraz, rokomari, bagdoo and so on keep a good amount of budget for their R&D for sustainable innovation. Likewise, rokomari came up with an idea for e-book. Rokomari is the first Bangladeshi e-commerce company who sells only books online on their own platform. With the passing of time, they have gained the trust of the people and most of their transactions are made by e-payment (Karim and Qi, 2018). The blessing and adaptation of digital business made the reader's life easier than before. Many of the SMEs are moving to f-commerce due to the Facebook penetration (Zabeen, Ara and Sarwar, 2013). Young generations are more flexible with Facebook. Therefore, the SMEs are taking this opportunity and reaching their target customers by Facebook marketing.

E-cab is working with the government to formulate the guideline and digital e-commerce policy in Bangladesh (e-cab 2019). E-cab already organized more than 30 workshops in Bangladesh in order to develop the e-commerce and ICT sectors. They have mandated a new policy that the foreign investors cannot



have more than 49% of shares in Bangladeshi e-commerce ventures. The e-commerce companies clearly declare what they are selling by their websites and there should be transparency between government, public and business holders. They have also mandated that the e-traders should sign agreements with suppliers, delivery channels and payment suppliers to protect the customer details and rights.

In order to develop and manage the ICT sectors and especially the digital business, the government of Bangladesh had taken initiative since 2010. The 2010-2011 budget allocated BDT 1.12 billion. In the 2019-2020 financial year, the budget increased to BDT 193 million where BDT 164.5 million is allocated for the development expenditure and BDT 28.5 million is allocated for operating expenditure. The ministry of Finance in Bangladesh (2019) declared their mission statement that in order to make digital Bangladesh, the finance ministry will establish trustworthy digital retreat at grassroots level, informational technology based human resource development, export-oriented department for the IT industries. Consequently, they have increased their budget for IT development and digital business. The projected budget for 2020-2021 financial year is BDT 204.81 million (ministry of Finance in Bangladesh, 2019)

2.8 Digital Business in Pakistan E-commerce SMEs

Digital revolution, in which firms use modern technologies for instance artificial intelligence (AI), cloud computing, and the Internet of Things (IoT), has turned out to be a business essential for effectively any firm wishing to stay competitive and fulfil its customer needs. In context of repercussions, a survey in September 2018 by management service consulting agency McKinsey of 1,733 executives took part in digital transformation endeavors at their firms discovered only 3% of respondents have had full victory at sustaining their attempts towards digital business.



The management consultancy firm shared the conclusion of their results, in successful attempts, leadership and liability are quite lucid for every portion of the digital change (ACM, 2019). Therefore, firms or SMEs must focus on the strategies to be successful when transforming the business in digitized form. Digital business as a technology links to a shared infrastructure that offers competency and potentiality for SMEs to compete domestically as well as internationally (Herdon, Varallyai, & Pentek, 2012; Senyo, Liu, and Effah, 2019).

(E-commerce policy framework of Pakistan, 2019) Pakistan's e-commerce industry is growing dramatically and has the capacity to nourish the economy of the country by offering more jobs, connecting remote areas to mainstream, establishment of SMEs and eventually improving exports by web-based platforms. Funding on the actions taken by the government and private sector so far, Pakistan now requires to move forward and take necessary measures to raise the competitiveness of domestic e-commerce actors, as a consequence improve their share in local and international trade. For this, it is important to make a policy framework that mainly focuses on reducing the access doorstep for SMEs and firms to be a part of the e-commerce environment by making certain about consumer protection, strengthening the role of the financial sector in magnifying the growth and realization of the revenue making capacity in the medium and long-term. All these steps will take to lowering the cost of starting business for present and future e-commerce SMEs. Currently, e-commerce Pakistan has main aims like financial inclusion and digitalization via payment infrastructure, empowerment of youth and SMEs over e-commerce, dealing with taxation issues, consumer security in the digitized environment, ICT Infrastructure and Telecom Services in Pakistan, issues regarding to logistics and e-commerce, data ownership and/or sovereignty and data localization.



SMEs can act as a crucial player in the development of e-commerce. In terms of amplifying their competitiveness at local and global e-commerce platforms special measures have been made for establishment of e-commerce business facilitation Centre, developing a national B2C marketplace, emancipating youth and SMEs, approach to finance for SMEs to advertise digitalization and skillful improvements. For this goal, The Prevention of Electronic Crimes Act (PECA, 2016) is offering an amalgamated and systemized e-commerce information management system (IMS) targeting to facilitate the credit information and assistance to all stakeholders to generate a well-organized credit system.

Pakistan, being an emerging country, owns a notable lump of its GDP to small and medium enterprises (SMEs). There are approximately 3.3 million SMEs in Pakistan. These involve manufacturing firms, service providers, and startups functioning on multiple levels. SMEs make 78% of the non-agricultural workforce, employ about 25% of production exports (Daily Times, 2020) and contribute around 40% of the annual GDP in Pakistan (Small and Medium Enterprises Development Authority (SMEDA), 2020). Other than manufacturing SMEs, a large number of services SMEs are working effectively in which there are 175 financial institutions (Daily Times, 2020), marketing advice firms, financial advice firms, advertising agencies, business consultants, business matchmaking firms, and human resource consultancy firms are included.

Furthermore, according to SMEDA (2020) other services SMEs are contributing efficiently in Pakistan's annual GDP i.e., auto repair and service workshops [Rs. 2.93 million, Jun-2017], banquet hall (500 guests) [Rs. 51.85 million, Apr-2016], beauty clinic [Rs. 7.9 million, Jun-2017], Boutique (women designer wear) [Rs. 6.22 million, June-2018], BTL Marketing Company [Rs. 619 million, Jun-2019], Call center [Rs. 13.43 million, May-2018], Car showroom [Rs. 92.54 million, June-2016], Car



wash service station [Rs. 4092 million, June-2015], Catering and Decorating services [Rs. 6.3 million, May-2016], Day care center [Rs. 2.86 million, Sep-2019], Dialysis center [Rs. 43.32 million, May-2018], Event Management Complex [Rs. 82.36 million, May-2016], Florist shop [Rs. 2.12 million, June-2016], Genset Repairing Workshops [Rs. 0.55 million, June-2016], Homemade Food (Tiffin Service) [Rs. 4.96 million, Sep-2019], Interior Designing and Landscaping [Rs. 4.92 million, Aug-2018], Laundry and Dry Cleaning [Rs. 3.55 million, Sep-2015], Mobile Phone Franchise shops [Rs. 1.78 million, Dec-2016], Packaging and Moving service [Rs. 2.101 million, June-2015], Pick and drop service [Rs. 1.263 million, June-2015], Printing press [Rs. 7.183 million, May-2015], Private hospital [Rs. 135.83 million, Mar-2016], Small to Medium scale distribution agency [Rs. 22.26 million, Jun-2019], Sub-contract workshop [Rs. 3.66 million, Jun-2017], Veterinary Clinic [Rs. 10.94 million, Jun-2017].

According to (SMEPakistan, 2017) quarterly report SME banks contributed Rs. 5067.04 billion while services SMEs made Rs 100.42 billion in December 2017. According to The News report (2019) the country made approximately Rs. 10 billion as wholesale investment by banks and other business partners supported at Rs. 3265 billion, direct investments (Equity) Rs. 1096 billion and strategic investment (Pakistan Microfinance Investment Company, PMIC 2019) Rs. 5.024 billion. (Business Recorder, 2019) Currently, more than 3.3 million SMEs in Pakistan are performing smartly, in which 8 lacks are manufacturing units, 12 lacks services sector, 18 lacks commercial and retail shops. The Small and Medium Enterprises Development Authority (SMEDA) founded in 1998 in Pakistan for the establishment of SMEs with the obligation to facilitate sectorial feasibility reports with the cooperation of the Chambers, shareholders and stakeholders for the advertisement of SMEs.



(Ghangro, 2019) In Pakistan SMEs are present in all sectors varies from retail, textile, agriculture, wholesale trade, transport, light manufacturing, electronics manufacturing SMEs, IT, web-based SMEs, accounting and management services, advertisement agencies, business related SMEs, automobile service SMEs, construction service SMEs, painting and renovating building services SMEs, food delivery, and beauty service SMEs etc. Professional service SMEs, which are experts in offering intensive knowledge, highly skillful services, use a specialized, well-educated and motivated workforce (Reihlen and Apel, 2007) to offer services in the domains of accounts, management, business consulting, and engineering (Nordenflycht, 2010). Rivetingly, these services SMEs are enhancing more rapidly than manufacturing and other service industries (Javalgi and Grossman, 2014). Still, in spite the enormous significance of services in advanced economies and decades of studies, a gap is yet asking for more attention especially the role of SMEs in emerging markets (Kiss, Danis, and Casvugil, 2012; Radulovich, Javalgi, and Scherer, 2018).

From last decade there have been outstanding growth in the amount of services as well as manufacturing SMEs along with the business-training programs, especially in emerging markets, but the success of these training programs is nominal (O'Mahoney and Markham, 2013; Mel et al., 2014; Ooi and Richardson, 2019). In Pakistan, the B2C e-commerce model has developed appreciably in the last decade and this movement is likely to pursue. Logistics plays a very extraordinary role in the B2C e-commerce model. The primary area to analyze to be addressed is systemized automation of B2C actors and third-party logistics (3PL) businesses. Pakistani state has started working and making new domestic policies beyond border logistics and e-commerce policy with extensive rules, taxation policy, tax rewards structure and information for Pakistani current and future SMEs to work with international SMEs and enterprises. The



digital sector industry is growing, statistical data presents that in the first quarter financial year 2017-2018, the number of e-commerce dealers was 496 which increased 1,094 by the end of the year and was almost 1,242 by the first quarter of 2018-2019. (E-commerce policy framework of Pakistan, 2019).

The overall share of the service sector in Pakistan in real GDP is approximately 60% at end fiscal year 2018, and almost 56% GDP in nominal; the hindmost is greater than South Asia average ((UNCTAD, 2017). Service sector, especially SMEs have been noticing a movement towards digitalization. Increasing internet penetration is transforming the way customers and businesses achieve and share information, process business transactions, and supervise their everyday functions and business activities. Refining digital connectivity is redesigning consumer behavior, which is progressively designated in favor of satisfaction, cost reduction, custom-built retail experiences (SMEDA, 2018).

According to UNCTAD's B2C E-commerce Index, in 2017 Pakistan is 120 (out of 144 countries) on e-commerce readiness index with a score of 24.0 (UNCTAD, 2017). Although, a prominent stream has been seen in the last few years in the figure of online vendors, domestic e-commerce platforms, web-based payment services inaugurated by SMEs banks and large telecommunication services providers. Ameliorated internet access and progressive endeavors of the state for economic reforms in most parts of Pakistan can be accurately ascribed for this.

According to PTA's (Pakistan Telecommunication Authority) data December 2019, there are 165 million cellular members, 76 million 3G/4G subscribers and 78 million broadband subscribers (PTA, 2020). From 2017-18 the figure of local e-commerce merchants raised to 2.6 times and e-commerce payments reached up by 2.3 times in just one year. According to State Bank of Pakistan (SBP) yearly State of Economy Report 2017-2018



presents that sales of domestic and global e-commerce merchants were Rs. 20.7 billion in 2017 increasing by 93.7% in 2018 to increase Rs. 40.1 billion (SBP, 2018; DAWN, 2018). These amounts do not represent all the post-paid-cash-on-delivery processings which shows 60% of the total value of e-commerce in Pakistan (State Bank of Pakistan Annual Report, 2018).

E-commerce can assist emerging market entrepreneurs to cope up with usual trade sources and approach an international market since web-based enterprises can be functioned at a very low scale. Research proves that Small and Medium Enterprises (SMEs) and Micro Small and Medium Enterprises (MSMEs) that utilize digitized platforms are almost five times bigger likely to export than those in conventional economies. E-commerce in emerging markets like Pakistan is at a growing level with fair web-based/e-commerce retail sales in spite of 38 million internet mobile users. Nonetheless, it is an emerging industry with a remarkable movement in past years in online merchants, national e-commerce platforms and web-based payment facilities established by the e-commerce service sector. E-commerce business for instance Daraz.pk, Pakwheels, Yayvo.pk, HomeShopping.pk, Symbios.pk, Shophive.com, iShopping.pk, Mega.pk, Telemart.pk, 24hours.pk and others are already gaining momentous business profits in Pakistan showing a beneficial trend for expanding e-commerce service sector of Pakistan. This is a positive sign for current and future e-commerce SMEs for doing business as Pakistan is also on top in mobile banking transactions in the South Asia region (E-commerce policy framework of Pakistan, 2019).

Daraz.pk is no doubt the market leader in emerging markets like Pakistan and Bangladesh. Currently, daraz.pk is not only the most famous web-based shop but also a household name. figures never lie and with 9.3 million tremendous number of visitors every month, daraz.pk is the market leader in Pakistan. Kaymu.pk is not a retailer but covers thousands of online sellers



providing all kinds of products for the customers. It gains around 1.1 million roughly users every month. HomeShopping is the old and developed e-commerce platform, which has 886,670 views per month. It gets most of the unique clients from search engines. Symbios.pk has been playing in the e-commerce sector effectively from the last few years. It's on fourth place on Pakistani e-commerce SMEs list with 570,000 views per month. It has around 70% of users from organic search terms. Shophive is the oldest online store in Pakistan with 483,330 users every month, it's the web-based retailer mostly recognized for high-end gadgets which are commonly not unavailable in the stores. Yayvo is the newcomer e-commerce SME in Pakistan E-commerce service sector. It is sixth on Pakistani e-commerce SMEs list with 466,670 visitors every month. It also has siblings like TCS and Sentiments Express but views and sales don't get affected by them. iShopping is in an emerging stage right now with good website design and around 436,670 visitors every month. Mega.pk with 396,670 visitors, Telemeart.pk with average 276,670 visitors, 24hoys.pk with 217,670 visitors per month, Alkaramstudio.com with 290,280 visitors, shoppingbag.pk with 315,330 visitors, pakstyle.pk with 183,810 visitors, Zeenwoman.com with 216,880 visitors, Czone.com.pk with 206,610 visitors and Shoprex.com with 327,780 visitors per month are in developing stage and growing fast in e-commerce sector (Shadman, 2018).

2.9 Sustainability Strategy in digitized business in Pakistan E-commerce SMEs context

As the concept of sustainability is quite complicated and comprehensive (Amini and Beinstock, 2014), sustainability must turn out to be a strategic and constitutive element of business functions (Engert and Baumgartner, 2016; Lamboglia, 2018). From the business point of view; sustainability strategy can be defined as the acceptance of business strategies, policies,



and action that fulfill the requirements of the firm and its investors or stakeholders currently while, securing, maintaining and improving the natural and human capital that will be required in the future (Ukko, et al., 2019; IISD, 1994). The sustainability strategy is based on different terms, but in this study, the sustainability strategy turns attention to merge sustainable development principles into business functions. Therefore, the role of strategy in sustainable development of business is highlighted.

Hart and Dowell (2011) explained a sustainable development strategy as in the terms of environmental, financial and social sustainability with the primary center of attention on encouraging an environment friendly manufacturing process in the upcoming future. Torugsa and his co-researchers (2013) presented a dynamic sustainability strategy combining all three elements of sustainability (environmental, financial and social) into strategies with the supreme discussion and analysis of a natural-resource-based viewpoint. In the terms of economical or business context, economic strategy labels high-quality standards of living (Bansal, 2005), financial performance and profits in the long-run (Steurer et al., 2005).

SMEs have been identified as one of the most significant actors in the country's economic growth, sustainability and industrial expansion of a nation (Abedisi and Bakare, 2019). According to Bowen, Morara, and Mureithi (2009) proposed that three out five developed SMEs fall down in the beginning of five years of their development due to the explosive environment. Fenning, Pesakovic and Amaraia (2008) stated that SMEs often fail because of their ineffectiveness to welcome strategic management in their business. Motwain, Mirchandani, Madan, and Gunasekaran (2002) most SMEs have lack of required knowledge, skills in the areas of sustainable planning techniques, methodology, and implementation. Hörisch, Johnsn, and Schaltegger (2014) agreed with this suggestion by claiming that most SMEs are facing with different obstacles that discourage



their sustainability and one most crucial reason is lack of adequate knowledge, which stops the authenticity of suitable business sustainable strategies in this digitized transformed business market. This proved the reality that the large number of digitalized SMEs lack enough knowledge of the favorable influence of strategies vis-à-vis strategic planning on the durability and continuity of their business (Argon-Correa et al., 2008).

Currently, Pakistani digitized SMEs sector are working to achieve goals to compete locally and globally as well by making a secure environment for development of current e-commerce SMEs, permitting and motivating newcomers, assisting domestic and beyond-border trade (primarily exports) by lowering the cost of doing the business, escalating competitiveness and participation to whole digitized economy. Furthermore, Pakistani SMEs authority sector are introducing new rules and police to targeting and fulfill the Sustainable Development Goals (SDGs) especially SDG-8 (promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all), SDG-9 (build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation) and SDG-12 (Ensure sustainable consumption and production patterns). The above endeavors that e-commerce SMEs are taking will help to attain these sustainable development goals (E-commerce policy framework of Pakistan, 2019).

According to the Commerce Ministry of Pakistan (2019), Pakistan ranked 120 out of 144 countries on e-commerce index with a score of 24.0 and the overall share of the service sector in real GDP is around 60%. In 2018 it was 56% in nominal GDP which is higher than South Asia average. From the technical and commercial point of view, there are five types of E-commerce services in Pakistan. B2B is the manufacturer and the wholesaler, B2C is ecommerce selling to the general people, B2G e commerce defines the relationship between businesses to the government, G2B e-commerce



defines the relationship between government to business and C2C is the trade relations where both sellers and buyers are consumers and this happens mostly in online auctions or in trade website.

The present government has already taken progressive steps, launched effective policies and regulations to uplift small and medium enterprises. Remarkably steps involve developing new regulatory measures and policies for SMEs, setting proactive monetary goals (in context of borrowers-700,000 from 180,000, and credit penetration – 17% from 8%) in the developed National Financial Inclusion Strategy (NFIS) advocated by the State Bank of Pakistan (SBP, 2019). The good news is the government is taking dynamic measures to promote SMEs by launching new rules and policies, which will be remunerative for SMEs and Pakistan's economical state as well (Ghangro, 2019). SMEs in emerging markets confronts various challenges to meet individual's demands (McDougal et al., 1994; Zhou et al., 2007) more effort, time, cost, (Hashim, 2012; Meyer et al., 2015) knowledge and capabilities are needed when focusing on services SMEs in emerging markets (Braga et al., 2017).

The current status of Pakistani digitized e-commerce SMEs giving hope to future SMEs or business practitioners. Moreover, to make the SMEs from both digitalized and manufacturing sector, SMEDA with the cooperation of the Government of Pakistan is consistently taking progressive and favorable steps to nourish the state of Pakistani SMEs (Bari et al., 2016). SMEDA primarily is targeting to make new strategies and policies to motivate the expansion of SEMs especially e-commerce sector in the country and to advise the State of Pakistan on fiscal and economic issues regarding SMEs, to offer the growth and strengthening of SMEs representative authorities and/or chambers, to make and supervise a service-provider database, including machinery and supplier for SMEs, to offer them protective



funding and flourishing the SMEs by conducting the training program, courses, workshops and seminars (SMEDA, 2016).

In the last few years, there has been a remarkable interest in the sustainability of e-commerce SMEs. Different authorities like public, private, investors and stakeholders are highly concerned with the social, environmental, and financial impacts of decisions made by SMEs. All these authorities are fully involved in the decision-making process (Sajjad and Eweje, 2014). As a reply to this growing interest and investors deal with, an enormous number of SMEs are evaluating their social and environmental aspects, and reporting on these influences to their stakeholders. Sustainability report is one source through which web-based SMEs communicates with their investors and stakeholders (Mehmood et al., 2017). (SMEDA Policy, 2018) The government in its attempts to provide the technological transfer for initial SMEs started a program with the United Nations Development Program (UNDP) to motivate Technical Cooperation between Developing or emerging Countries (TCDC).

Operationalization of concepts

With the aim to check the important data gathered while conducting the interviews from two countries Pakistan and Bangladesh, it is significant to certify that there is a strong link between the conceptual and theoretical framework and the questions asked during the interviews. According to the literature, we found the positive role of sustainability strategy in digital SMEs especially in emerging markets. This thesis tries to find out (1) the role of digitalization in SMEs in Pakistan and Bangladesh, (2) sustainability strategy in current and upcoming digitized SMEs in emerging market Pakistan and Bangladesh, and (3) performance of digitized SMEs by



working through sustainability strategy. Table 2 depicts the operationalization of research, representing each concept, its aim, as well as how it is demonstrated in questions. Decided questions asked in the interviews displayed minimum variation based on the flow of conversation, but for the goal of asking questions always remained the same as the decided ones. As previously mentioned in Table 1, there were 6 respondents 3 from Pakistan and 3 from Bangladesh and all belong to digitized SMEs. The questions are mentioned in Table 3 in appendix section. The particular information interviews operationalization of the will be outlined below.

Research Questions	Part of theory chapter	Question Guide
<i>What are the views of digitality on E-commerce SMEs of Bangladesh and Pakistan?</i>	Pakistan's e-commerce industry is growing dramatically and nourishing the economy by offering more jobs, establishment of SMEs and eventually improving exports by web-based platforms. The E-commerce sector is changing the way people do business in Bangladesh. Bangladesh is developing the e-commerce sector smartly.	Q1. Is your company familiar with digital tools? If yes, how much?
<i>What are the views of digitality on E-commerce SMEs of Bangladesh and Pakistan?</i>	The Bangladesh government is providing incentives to the ICT industries to establish a digital Bangladesh by 2021." Whereas, e-commerce Pakistan has main aims like financial inclusion and digitalization via payment infrastructure, SMEs over e-commerce,	Q2. Does your company's management have a clear vision for utilizing digitality in the future?



	consumer security in the digitized environment etc.	
<i>What are the views of digitality on E-commerce SMEs of Bangladesh and Pakistan?</i>	At the end of 2017, 15% of Bangladeshi had access to the internet and 91.2 million people got accessed to the internet at the end of 2019. With the blessing of internet access, most of the businesses are transforming digitally. Also, in Pakistan the digital sector industry is growing, statistical data presents that in the first quarter financial year 2017-2018, the number of e-commerce dealers was 496 which reached to 1,242 by the first quarter of 2018-2019.	Q3. Does your company's management support the utilization of digitality in your company?
<i>What are the views of digitality on E-commerce SMEs of Bangladesh and Pakistan?</i>	The Bangladesh government is trying to establish a regulatory framework for the e-commerce sector. SMEs especially are interested in digitalizing their businesses. E-commerce has a powerful capacity to expand in Pakistan and to assist in raising the country's financial growth. Service sector, especially SMEs have been noticing a movement towards digitalization.	Q4. Does digitality enhance your business? If yes, how?



<i>What are the views of digitality on E-commerce SMEs of Bangladesh and Pakistan?</i>	<p>Bangladesh is increasing the power generation which is almost 400% growth than the past decade. A committee has been made up to ensure the cyber securities, E-payment and E-signatures are also going to launch very soon. e-commerce Pakistan government is working for empowerment of youth and SMEs through e-commerce, dealing with taxation issues, ICT Infrastructure and Telecom Services in Pakistan, issues regarding to logistics and ecommerce, data ownership and/or sovereignty and data localization.</p>	<p>Q5. How do you incorporate new technology, including e-technology, into services and into the delivery system and process, as appropriate?</p>
<i>How e-commerce SMEs are applying sustainability strategy in their business in Bangladesh and Pakistan?</i>	<p>Pakistani SMEs authority sector is introducing new rules and police to targeting and fulfil the Sustainable Development Goals (SDGs) especially SDG-8, SDG, and SDG-12. In Bangladesh most of the SMEs are reducing their paper works and moving to the technologies. Many firms are using accounting software for their accounting activities rather than writing on paper.</p>	<p>Q6. Over the last three years, how do you assess your company in terms of integrating sustainable development principles into business operations?</p>



<i>How e-commerce SMEs are applying sustainability strategy in their business in Bangladesh and Pakistan?</i>	<p>In Pakistan, a remarkable interest has been seen in the sustainability of e-commerce SMEs. Different authorities like public, private, investors and stakeholders are highly concerned with the social, environmental, and financial impacts of decisions made by SMEs. In Bangladesh, firms have started working for it, especially betterment of human resources.</p>	<p>Q7. How much is your company familiar with the term 'sustainability strategy'? How do you see that in your company?</p>
<i>How e-commerce SMEs are applying sustainability strategy in their business in Bangladesh and Pakistan?</i>	<p>In Bangladesh the most important is consumer protections and managing a very good customer and supply chain. Therefore, government is working for strong privacy policy, cyber law and availability of online payment services, online payment services by debit/credit cards.</p> <p>In Pakistan some SMEs are facing obstacles that discourage their sustainability. One crucial reason is lack of adequate knowledge, which stops the authenticity of suitable business sustainable strategies in this digitized transformed business market.</p>	<p>Q8. What major sustainability risks were recognized?</p>



<i>How e-commerce SMEs are applying sustainability strategy in their business in Bangladesh and Pakistan?</i>	<p>The current status of Pakistani digitized e-commerce SMEs giving hope to future SMEs or business practitioners. The good news is the government is taking dynamic measures to promote SMEs by launching new rules and policies for SMEs and Pakistan's economical state.</p> <p>In Bangladesh, many SMEs keep a good amount of budget for their R&D for sustainable innovation.</p>	Q9. What business value have you seen from your sustainability strategies in your business?
<i>How e-commerce SMEs are applying sustainability strategy in their business in Bangladesh and Pakistan?</i>	<p>Sustainability strategy is considered as the competitive advantage for the SMEs but in Bangladesh there are now big players in the markets and firms are using it but slowly.</p> <p>In Pakistan sustainability strategy is improving e-commerce business. They are utilizing their natural and human capital. Some SMEs are familiar that every business needs strong policies and powerful sustainability strategies that can assist you to work with your rivals.</p>	Q10. Did you benchmark on sustainability against your competitors?
<i>How e-commerce SMEs are applying sustainability strategy in their business in Bangladesh and Pakistan?</i>	<p>In order to develop and manage the ICT sectors and especially the digital business, the government of Bangladesh had taken initiative since 2010. The 2010-2011 budget allocated BDT 1.12</p>	Q11. Does your company have stakeholders? If yes, how much your stakeholder or business partners are involved in sustainability strategies or policy making?



	<p>billion. In the 2019-2020 financial year, the budget increased to BDT 193 million.</p> <p>The overall share of the service sector in Pakistan in real GDP is approx. 60% at end fiscal year 2018, and almost 56% GDP in nominal; the hindmost is greater than South Asia average.</p> <p>Sustainability report is one source through which web-based SMEs communicates with their investors and stakeholders.</p>	
<p><i>What can the managers consider in the future for utilizing sustainability strategy in their digital business?</i></p>	<p>Different authorities in Pakistan like public, private, investors and stakeholders are highly concerned with the social, environmental, and financial impacts of decisions made by SMEs.</p> <p>In Pakistan SMEs are working for sustainable business which is healthy for business, clients and environment.</p> <p>In Bangladesh many of the IT firms have their own online platform to arrange virtual meetings. Therefore, the employees are getting opportunities to work from home. This is motivating the employees to work hard and balancing the working environment.</p>	<p>Q12. What are the social and economic opportunities in your digitized company?</p>



<i>What can the managers consider in the future for utilizing sustainability strategy in their digital business?</i>	<p>In Bangladesh many of the SMEs are moving to f-commerce due to the Facebook penetration. The ecommerce SMEs clearly declare what they are selling by their websites and there should be transparency between government, public and business holders.</p> <p>In Pakistan, Service sector, especially SMEs have been noticing a movement towards digitalization. Increasing interest penetration is transforming the way customers and businesses achieve and share information, process business transactions, and supervise their everyday functions and business activities.</p>	<p>Q13. How did you align the sustainability strategy with the overall digital business?</p>
<i>What can the managers consider in the future for utilizing sustainability strategy in their digital business?</i>	<p>SMEDA with the cooperation of the Government of Pakistan is taking progressive steps to nourish the e-commerce and manufacturing SMEs. SMEDA is targeting to make new strategies and policies to motivate the expansion of SMEs.</p> <p>The ministry of Finance in Bangladesh declared their mission is to make digital Bangladesh, the finance ministry will establish trustworthy digital retreat at grassroots level, IT based HR development, export-oriented department for the IT industries</p>	<p>Q14. How the manager is working for educating about sustainability strategy to employees?</p>



<i>What can the managers consider in the future for utilizing sustainability strategy in their digital business?</i>	In Bangladesh, according to SME foundation (2017), 40% of revenue earned by the software firms go for the salary for the employees and professionals. According to State Bank of Pakistan (SBP) yearly State of Economy Report 2017-2018 presents that sales of domestic and global e-commerce merchants were Rs. 20.7 billion in 2017 and Rs. 40.1 billion in 2018. These amounts do not represent all the postpaid-cash-on-delivery processing which shows 60% of the total value of ecommerce in Pakistan.	Q15. How sustainability strategy is affecting your overall business performance?
--	---	--

*Table 1: operationalization table Own table
(based on the theoretical framework)*

3 Methodology

In this part, the research approach and design are conferred, along with the research strategy of the case study besides the technique to choose the case firms. In this chapter, the data collection techniques and method of data analysis are also presented. Moreover, we will discuss the research quality including validity, reliability and ethical considerations of the research.

3.1 Research Perspective

An observer or a researcher contributes a greater part to establish the reality in the research paper by using their intellect (Goels & Hirschheim, 2006). Therefore, the research is value bound and the researcher is the part of what



is being researched and how reality has been published. As the authors are going to do qualitative analysis, the research perspective is non-positivist. Consequently, this research is socially constructed, subjective, comparative and may change if it is needed. The paper is emphasizing the social reality and interpreted by the researcher. Therefore, the sample size is small and it allows researchers to do in-depth investigation.

3.2 Research Approach

Alvesson and Sköldberg (2009) described that induction, deduction and abduction are the foremost research approaches that explain and deliver the proper understanding of every research theory. This work uses the inductive approach. Inductive approach is also recognized as inductive reasoning, begins with the observation and theories are made in the direction of the conclusion of the research process as an outcome of observations (Goddard & Melville, 2004). Neuman (2020) presented that inductive reasoning starts with the comprehensive studies and explanation of the world, which directs to more abstract generalization and ideas. In this study, we will see how digital businesses are adopting sustainability strategies. In that way, we are mainly focusing on SMEs in emerging markets. Furthermore, with the help of this study we will also find out what challenges digital businesses are confronting to practice sustainability in emerging markets. Saunders, Lewis and Thornhill (2019) suggested that inductive reasoning constructed on learning from experiences. Designs, correspondences and consistency in incidents or premises are inspected in order to draw a conclusion or make a theory.

3.3 Research method



Another most important element while doing research is whether to go with qualitative or quantitative methods (Alvesson and Sköldberg, 2009), however, a combination of both methods is also attainable (Creswell, 2013). Despite the fact that the primary goal of quantitative methods is to illustrate existing hypotheses, a qualitative method often concentrates on observing and giving hypotheses (Alvesson and Sköldberg, 2009). Hence, taking into consideration the aim of our paper, which is to explain and analyze the digital businesses that are working through sustainability strategy, the qualitative research strategy is the most favorable for this study.

The goal of qualitative research is to perceive and demonstrate the experiences and activities of individuals as they come across, involve, and live by circumstances. In qualitative research, the researchers try to create a strong perception of the phenomena under research, founded as much as possible on the outlook of those who are already being researched (Goodman, 2011). Qualitative research links to the meanings, abstraction, definitions, attributes, comparisons, metaphors, symbols, and explanation of various things (Berg, 2009).

3.4 Research Strategy

There are different techniques by which researchers can collect data in qualitative research by conducting interviews, case studies or both. Yin (2014) illustrated that the case study is one of the significant methods for qualitative research, besides other research strategies like archival analysis and experimentations.

Reckon with our research question, as Yin (2014) described and Leonard-Barton (1990), the case study grasps particular benefits when reaching “how” questions and when centralizing on a “real-life” circumstance. In point of fact, case studies can elucidate, demonstrate, explain, resolve,



decode, illustrate and inspect a specific situation, and they are exceptionally favorable when the contextual elements of a phenomenon need to be untangled (Yin, 2014). Consequently, the case study technique is the suitable approach for our research goal of explaining and examining the role of sustainability strategy in digitalized SMEs in emerging markets. Moreover, the case study can deliver us the flexibility to modify the pattern and the data collection to our research questions (Meyer, 2001; Easton, 2010).

The purpose, as explained earlier, is to understand how sustainability strategy is a long-term benefit to digital business. As the authors elucidate further in this chapter, the authors believe for the research topic, SMEs from emerging markets would be a suitable selection to study the sustainability strategy in this digitalized era. The case study permits both researchers and readers to fully understand the sustainability strategy in digitized business and how sustainability strategy is not only beneficial for the environment but also a win-win strategy for every individual included in business from stakeholder to employees. Taking into consideration the research questions, the case study technique will be advantageous to have a detailed view.

Merriam (1998) demonstrated that a case study is particularly convenient to explain a procedure and its contextual elements since it provides substantial intuition that assists the understanding of a phenomena with various variables to consider, which consequently make it the highly beneficial selection for this paper. Contrarily, few drawbacks of a case study are including the elements that are too lengthy and in detail that should be provided are always an issue for the researchers, and that's the mission of the examiner collecting the data can impact the collection of data (Merriam, 2009). Other problems could also add the small space for generalization, the range of the case study additionally the reliability and validity of the research purpose (Yin, 2014).



3.5 Case Selection

Since the goal of this paper is to perceive fully how the sustainability strategy can be the long-term benefit for digitalized businesses, researchers decided to focus on emerging market SMEs. The selection of e-commerce SMEs in emerging markets was made due to explore the level of awareness of sustainability strategy in emerging market firms (Pakistan and Bangladesh).

The authors have selected convenient sampling method to select the companies. Because of COVID-19 the authors selected those companies in which they have contacts. It was feasible for them to conduct the research by the convenient sampling technique.

The matter of fact is there are a number of firms who are doing their business over the web but how they are supporting and adopting sustainability strategy is still unsettled. The region which authors focused for their research is South Asia mainly Pakistan and Bangladesh.

Warnasuriya (2020) illuminated that South Asia is a region with full vast diversity containing developing economies and a young population. It is momentous in this race and flourishing in digital sectors with a huge level of interest. Pakistan for example has emphasized on digitizing service section, services over internet, policy making and authorizing growth. Pakistan is functioning rapidly in the direction to improve semi-government partnerships allowing new business models to enhance the digital capabilities for acquisition and betterment. Pakistan is with an economy charged by SMEs and dramatically improving mobile users' populations, the country is on the right track to become one of the major digital audiences at the international market. With a present GDP at \$1,641 per capita, Pakistan is anticipated to be the fourth rapid growing economy



internationally by 2030. Run mainly by SMEs (more than 90% of all firms in Pakistan are SMEs), these small and medium businesses share 40% to the country's \$305 billion GDP. Also, the interest towards technology is very high in Pakistani citizens (Anthonisen, 2018).

Latifee (2017) quoted that Bangladesh has made important steps in utilizing technology to bring the transformation in developing human resources, making the market competitive and effective through digital technology. A lot of actions have already been taken by the government of Bangladesh with Vision 2021 to make digital Bangladesh (General Economic Division, 2012). During the past ten years, ICTT export earnings have gained some momentum and it reached \$444.8 million in 2014 (Seventh Five Year Plan, 2016). In 2018 there was a boom in ICT sectors and the earnings crossed \$800 million (Islam, 2018). Meanwhile, E-commerce sectors are also playing an important role in Bangladesh and contributing to national GDP. Though e-commerce sectors brought a revolution in Bangladeshi economy, it is still now in developing phase. This sector started in Late 1990s and during this time, very small numbers of non-resident Bangladeshi used e-commerce services to send their gifts to the dear one. People were not used to e-commerce business (e-cab, 2016; Crossed ref. Karim and Qi, 2018). Right now, the e-commerce industries are focusing on B2B, C2C and B2C business strategies (Karim and Qi, 2018). The current market size of e-commerce industries is \$230-240 million and the annual growth is 40%-50% (Muhammad, 2018).

Therefore, to complete this research, the selected market is best, authors conducted interviews from SMEs in Service industries including e-commerce sectors, advertising agencies, and IT companies etc. For case studies, the authors aimed to understand how the SMEs in ICT sectors are providing digital services focusing on sustainability.



3.6 Data Collection Techniques

According to Saunders et al (2019), interviews are often carried out face-to-face or through telephone and the interviewer guides the interviewee with predetermined themes and related questions. According to Creswell (2007), interviews are appropriate for this kind of research where the challenges and the facts for sustainable Practice in digital business in Bangladesh and Pakistan have previously not been studied.

3.6.1 Primary Data Collection:

To get insight into the proposed research questions, interviews were conducted with Bangladeshi and Pakistani e-commerce SMEs that are transformed in digital business or willing to transform. The research questions are also concerned about sustainability strategies in digital business. Thereby, the authors have determined to formulate semi-structured interviews as the main source of empirical findings. The data collection is conducted through telephone interviews since the authors believe that this most suitably allows to acquire both open-ended and closed-ended questions with some follow-up questions. According to Creswell (2013), interviews enhance the opportunity of flexibility regarding its semi-structured format and adequate response to the research question. Creswell (2013) also quoted that during the interview, notes taken and recording taped ensures more accuracy of the reported information.

3.6.2 Secondary Data Collection:

The study also includes an overview of Bangladeshi and Pakistani digital business. Therefore, the researchers selected SMEs from different sectors. The company information, size, language, and etc. are collected from company websites. Furthermore, information is collected from government websites, chamber of commerce, e-commerce association of Bangladesh, finance ministry and few other scientific articles written by other authors.



3.7 Data Analysis Techniques

In a research, the data that is collected needs to be analyzed. Data analysis ensures that the data is meaningful, understandable and appropriate. According to Saunders et al (2017), qualitative data differs from quantitative data as it comes from different ways like words, images, documentary etc. In this paper, the authors will focus on thematic data analysis techniques. According to Braun and Clarke (2006), thematic analysis is a theoretically flexible method but does not work with all qualitative analytic approaches. Braun and Clarke (2016) also quoted that the thematic analysis works with a wide range of research questions and also it can be analyse to different types of data (eg. Media, transcripts, focus group, interviews etc.). For this research, the first step is to conduct telephone interviews and to ensure the conversation is based on the context without any bias and emotions. Secondly, the interviews should be analysed in a thematic way. And finally, the crucial data and concepts will be highlighted.

3.8 Respondents

According to Curtis, Gesler, Smith and Washburn (2000), sampling in qualitative research needed to be addressed thoroughly because of fundamental understanding of validity. We have taken 6 telephone interviews. 3 respondents were from Bangladesh and 3 respondents were from Pakistan. Before conducting the interviews, we made a pilot test of our questionnaires and each respondent understood the concept of the questions. Table 2 represents the respondents and their company's details. However, respondent 3 from Pakistan did not want us to add the company name.



<i>Respondents</i>	<i>Gender</i>	<i>Country</i>	<i>Company</i>	<i>Position</i>	<i>Interview Duration</i>
01	Male	Pakistan	Bplix Technology	Software Development Department	37.00 Minutes
02	Female	Pakistan	Dotklick	HR Executive	27.00 Minutes
03	Male	Pakistan	Anonymous. (A leading digitized online firm in health sector)	Senior Marketing Executive	31 Minutes
04	Male	Bangladesh	Bagdooom.com	Marketing Executive	23.17 Minutes
05	Female	Bangladesh	Chaldal	Head of Marketing	21.12 Minutes
06	Male	Bangladesh	Ajkerdeal	Operational Manager	16.48 Minutes

Table 2. Respondents Information

3.9 Interview transcription

Before data analysis the major step is transcription of the interviews, as presented by Kvale (2007). The interviews were conducted over phone as due to pandemic disease researchers were unable to travel. All the interviews were recorded after the consent from respondents. After recording of interviews, a



transcript was made. The duration of interviews is 30 to 40 minutes approximately. (Kvale, 2007) there is no common rule related to the interview transcription, either they are required to be correctly written or generated word to word or only generated with the primary answers. The interview transcription is a crucial element, which also needs to tackle some complex issues like the transmitting of words from verbal to written form (Ibid). although, it authorizes the researchers to achieve a large amount of ease with every case, which enables the analysis and the juxtaposition of the results (Meyer, 2001). As explained by Meyer (2001) and Kvale (2007), after the interview transcript the further step is data analysis.

3.10 Quality criteria of qualitative research

According to Denscombe (2014), Quality Criteria is related to the qualitative research as it is basically impossible to replicate the social settings in a way. Denscombe (2014) also cited that generalizability is not applicable for qualitative research as small numbers cannot be representative of a larger population. However, According to Saunders et. al (2019), by providing future research with a full design, context, findings and interpretations, it is possible to judge if the research is possible to transfer in other settings.

In this research paper, the authors are aware of bias of the interviewers, companies and also aware of avoiding to interpret with the interviewers. The researchers played the role as complete observer during the interview.

The recordings will be also referred and will be provided to ensure transparency and communicate the findings. A detailed step by step research method will be provided to ensure the conformability, transparency, reliability and validity of the research. As the authors are conducting the research in a qualitative method, it will be difficult to generate the exact conclusion but the authors will do analysis based on the interviews.



3.11 Ethical Consideration

This thesis was carried out in full accordance to the good thesis ethics. Both researchers were concerned about informed consent from all the participants. Informed consent was conducted through verbally asking participants whether they are willing to participate in the telephone interview or not. Participants were also informed about the purpose of the study. Participants were also informed that there will be no compensation for participating in the interviews.

The researchers were also concerned about confidentiality. However, the data was collected by interview and will be stored in the research paper without identifying personal information so that it cannot be traced back to the participants.

4 Findings and Analysis

In this chapter, the analysis from interviews is presented. The data was collected through telephonic interviews, as due to COVID-19, it was difficult for researchers to travel internationally. The authors first booked the appointment from respondents for the interview and then on the booked time they conducted the interview. The questionnaire can be shown in the methodology section which focused on digital business and sustainability strategy. There were 15 questions which will support us to find the outcome. All the respondents belong to the IT sector and the companies where the respondents are working are small and medium enterprises (SMEs).

4.1 Pakistani respondents

From the digital business perspective, the respondents agreed on the blessings of digitality. SMEs are taking part in digitizing themselves. It's like a competition, if one firm is doing something innovative then it becomes a trend, another rivalry firm wants to do something more unique.



In this way it's quite positive when businesses, especially small and medium enterprises are in healthy competition. Digitized are using UpToDate digital tools and software to attract their customers and to give them the best services. By using the latest digital tools firms are working for firm's performance, client's requirements, product or service improvement. Moreover, respondents reported that during this COVID-19 lockdown their work did not stop, they are at home but performing their work duties. Respondents reported that the management is highly satisfied with the digital evolution and they are supporting and learning techniques and professional skills. Digitality enhances their business, these firms are getting benefit. Respondent 1 reported that *It's been around at least more than two years at the moment that the value digitalization in the market is a lot. Suppose if the worth of a product is thousand then digital media has increased the value more than three thousand* (Software Developer, Bplix Technology, 30th April, 2020).

SMEs management should know what's the company's vision, how we will achieve and where we are. Sometimes employees come with different ideas and suggestions, but there are a number of companies in which management just follow their managers and upper management. By research it has been noticed that if a leader gives a chance and listens to his employee then that management works more efficiently and productively as compared to that management who just follows the guidelines without researching and sharing their own ideas. Respondent 2 reported that *our management shares international experience about the market, client's requirements, and digital tools with other employees. We always discuss the present condition and future goals with our employees and senior management. We learn how to improve on our digitalization through meetings, international experience and senior management vision. We always try to cope up with new digital tools to balance our work* (HR Executive, Dotklick, 4th May, 2020)



Another thing is because of digitalization there are no barriers in communication. These SMEs are working hard not only to attract and maintain domestic customers but are also approaching international customers by following the rule and regulations set by the SMEs sector Pakistan. But without the management interest and support, SMEs can't do better. SMEs are following the tradition of multinational companies which is 'communication is key.' They have weekly basis meetings; the manager is aware of what's going on. Their performance towards the goal achievement is tracked by the upper management. Working through digitality is efficient and comes with best outcomes. *When digital media has been entered in any companies either its IT sector, business sector or education sector since we are able to approach digital elements in our company so we make sure that each and every employee of our company should be fully familiar with the digital tools, we especially trained them to be familiar with the new digital technologies* (Software Developer, Bplix Technology, 30th April, 2020).

But still it's the question how SMEs can get maximum benefit? Through conceptual framework and research from primary and secondary resources one thing has been seen, a firm which secure and utilize efficiently its human and natural resources for future needs and make those policies and strategies for a business which will give long-term benefit is performing well in a digitized marketplace, and it is a sustainability strategy. SMEs in emerging markets are struggling to cope up with it, but without enough knowledge it seems to be a bit difficult to achieve. It's just about awareness, SMEs in emerging markets need to be aware that by implementing sustainability strategy company's performance will be improved, their resources will be secured for future needs. For sustainable business, digitalization is key but sustainability strategies are mandatory even a business is fully or partially digitized.



Although it's a quite new term in emerging markets like Pakistan, there are still some SMEs who are actively participating by working through sustainability strategy. Our all respondents reported that this term is very fresh but firms are working on it, they are trying to spread awareness to other employees, young professionals, new entrepreneurs and new graduates. They are conducting seminars, workshops, training and development courses. Furthermore, the business performance has been upgraded and they are getting international clients as well. *After implementing sustainability strategies, our business value increased. We earned a lot of assets, and here I mean asset is our 'client.'* When you talk about successful business, you should have strong sustainable strategies, good terminologies and different policies and if you have all these things then obviously your business can enhance significantly. Our company is client-based and after good strategies our clients have been increased and our company's economy has been nourished (Senior Marketing Executive, Healthcare Digitized Business, 5th May, 2020). Companies who are working and spreading awareness about sustainability and sustainability strategy, it's a competitive advantage for them especially in emerging markets.

As this term is new so definitely it comes with some circumstances, by making strategies and policies companies become aware of where is the risk for them and where is the opportunity for them. Working differently but efficiently opens new doors of opportunities, but how much firms are involved in looking for opportunities are protecting them from risks is crucial. In emerging markets, if there are some risks for SMEs then there are a large number of opportunities as well. *Yes, we have some risk in our digital business while implementing sustainability strategies like resources. You have to be resource-friendly to compete with competitors in this rapidly changing technological trend. Second, our competitors, it can be domestic or it can be international. This is a kind of drawback, if you don't have too*



much resources to fight with your competitors then your company suffers. Sometimes employers move to other companies if they get better salary packages or rewards from other companies, so it's a bit challenging to keep them. If we invest in our employees then employees will be sincere with us (Senior Marketing Executive, Healthcare Digitized Business, 5th May, 2020).

SMEs in emerging markets need to be extra careful. When the stakeholder invests in some business, he needs to be aware what is the cost and what is the earning and how much he is getting benefit. From investment to making decisions and policies, SMEs should involve their investors and stakeholders. This is how companies can get benefit, as sustainability strategy emphasizes on fulfilling the requirements of business and its stakeholders. *Due to sustainability strategy performance of our business is going well. We see stakeholders, investors and other international clients. In the past we were working for just one or two countries but now we have more international clients from different zones. We are also making more international contacts; they want to work with us. We see a lot of opportunities and positive impact on our business in future. We know by focusing on sustainability strategy we will get more positive outcomes in the upcoming future* (HR Executive, Dotclick, 4th May, 2020).

Furthermore, SMEs are also contributing in achieving sustainable development goals. But the number of the SMEs who are actually participating are few. We have noticed SMEs who have rich natural, financial and human capital are actively contributing in educating others entrepreneurs and upcoming SMEs, their own employees, fresh graduates as well. These SMEs have started taking some really positive steps like paperless policy, no plastic or at least minimum plastic usage, saving electricity by using UPS and solar energy, and running NGOs for social work etc. However, still the number of SMEs which are working through



sustainability strategy is less. In emerging markets, there is a lack of knowledge on this issue. The block of sustainability still needs attention.

4.2 Bangladeshi Respondents

Considering emerging markets, Bangladeshi SMEs are playing a vital role in building the country's economy. Especially service sectors are contributing to national GDP and representing both countries worldwide. The government of Bangladesh is encouraging SMEs to increase their workforce in order to build digital Bangladesh. From a digital perspective, most of the respondents agreed that the businesses are running with the blessing of digital tools. The companies are getting digitized day by days to keep things easier. Most of the SMEs are using their own digital platform to communicate with each other. For meetings, they are using whatsapp, email and for meetings, they are using zoom and skype.

All of the respondents believe that digital tools help to maintain relationships with customers easier and easy to use. By using digital tools, SMEs are improving their products, providing quick services to the customers. Respondent 6 tried to emphasize the importance of digital tools and stated that it is impossible to run a business without digital tools especially in the e-commerce sector in Bangladesh. Almost all of the participants agreed that their management is willing to give more effort to introduce the updated digital tools if needed. They have a clear vision and mission to reach their goals.

Because of digitalization, things are becoming easier and quicker. Communication barriers are decreasing and the employees can get the information of the product, vendors, suppliers and others whenever they need. There is no gap of communication. Therefore, they can provide the right information to the customers. Most of the respondents said that their



companies have different departments and each department is responsible for their own work and they combine their works digitally.

As the government is increasing the facilities for the SMEs and start-ups, more companies are coming into the market and increasing competition. Therefore, most of the companies are applying sustainability strategy in their digital business. According to the Marketing executive of Bagdooom (2020) the company focuses on sustainability strategies for a steady economic outcome and also claimed that the company doesn't give such importance as it does in Europe. On the other hand, the Head of marketing of Chaldal (2020) stated that sustainability strategy is helping their company to build customer satisfaction and creating market value. Most of the respondents agreed to apply sustainability strategy in their company to survive in the competition. Most of the respondents mentioned that they face some major difficulties and risks like product damage or product cancellations in uncertain circumstances like bad transportation systems, lack of electricity and so on.

As sustainability strategy is not a very common term in Bangladesh, many companies are applying this at their companies but the employees do not have proper ideas or knowledge on it. Therefore, most of the time, the companies arrange different seminars and workshops for the top-level employees. Then the top-level managers educate their subordinates. Respondent 05 explained *"the market is changing every moment and very fast. Technologies we used yahoo before and we used internet explorer before, now Gmail is more popular and we are using google chrome. Our manager is well trained enough and, in our business, if something new comes, the manager tries to train himself first. Later, he arranges seminars and trains physically with others. He arranges seminars to train them and make things easier. It is important for us to know the updated technologies."* (Head of marketing of Chaldal, 2020). Similarly, respondent



04 also reported that they have a training process upto 3 months and also mentioned *“We also train the employees so they are having their own skills development and the company is getting bigger. Employees are also contributing so it’s good for them as well as company. I would say it’s a sustainable way for them.”* (Marketing executive, bagdoom, 2020).

The Digital SMEs are also doing some social activities to contribute to society. Respondent 06 mentioned that they are donating food due to COVID-19 but they cannot contribute on a “large scale due to lack of investment. Respondent 04 said *“Last time when it was flooded, we arranged a donation. We have arranged health insurance. For pregnant women, we have 100% paid parental leave. We also have mandatory leave for the employees for 15 days in a year. We also provide different gifts to the employees.”* (Operational Manager, Ajkerdeal, 2020)

Moreover, SMEs are contributing a lot by sustainability strategy to develop the country's economy. The problem arises when the big or multinational organization enters into the same market and tries to take the maximum market share. Now, most of the respondents said that they are concerned about COVID-19, they really do not know what is going to happen in future as the SMEs in e-commerce sectors are facing a lot of problems on distribution and orders as there is lockdown everywhere. Moreover, many e-commerce businesses import products from outside, but they cannot import it from other countries. Meanwhile, IT firms bring remittance to the country by exporting software expertise. But a lot of shipments have been cancelled already due to COVID-19. Respondent 05 mentioned that more than 100 competitors are competing in the market.

It is uncertain that the world economy is trying to survive and seeking a balance. Life is in danger but going on. It can be the biggest threat for the emerging market like Bangladesh. The SMEs need extra care from the



government so that more young entrepreneurs and fresh graduates will think to do something on their own and lead the country.

5 Discussion

In this section basically the results are discussed which we discovered from our theoretical background and interviews from Pakistani market. We divided analysis into two parts, as we gathered data from two countries, Bangladesh and Pakistan. So, the data are analyzed into two parts and after making a separate analysis of markets we will present a comparison of data from both countries in the next section.

5.1 Analysis of digitality in Pakistan's E-commerce SMEs

Pakistan's IT sector is expanding briskly, including government and different institutions are taking part to make it more developed and stronger than before. The state is giving opportunities especially to young entrepreneurs to start SMEs. Currently, in Pakistan around 3.3 million SMEs are working and contributing prominently in economic growth (E-commerce policy framework of Pakistan, 2019). The e-commerce sector is enhancing, as per statistical data in beginning of 2017-2018 there were 496 e-commerce dealers but in the beginning of 2018-2019 the amount reached 1,242. There are a large number of Pakistani digitized SMEs earning healthy profit. E-commerce in emerging markets like Pakistan is at developing level with good online sales in spite of 38 million internet mobile phone users. The trend of online buying has been much increased, people use different platforms to buy online products, especially from the last couple of years young people attracted towards online buying and selling.

By focusing on digital business, the country is moving towards e-business, connection between remote areas to mainstream, healthy link between local



and international market, and most importantly employment. In the context of boosting SMEs competitiveness at domestic and international market, the government is taking steps for development of Digital Business Facilitation Centre, generating a domestic B2C marketplace, independent youth and SMEs, approach to finance for SMEs to promote digitalization and accomplished improvements. In Pakistan, the B2C digitized business model substantially has launched in the last decade and this trend is expectedly to pursue. For this aim, Pakistan's cybercrime institution 'The Prevention of Electronic Crimes Act (PECA, 2016) is providing systematized and full-integrated e-commerce information management system (IMS), which targets to offer the credit information and help to all stakeholders to make an efficient and systemized credit system.

In Pakistan, presently the IT sector has some major goals that need to be achieved and the state and the sector is jointly working for it. These goals are financial incorporation and digitization through payment infrastructure, youth and SMEs empowerment via e-commerce, coping up with tax issues, client privacy in the online business environment, Pakistan telecommunication services and ICT infrastructure, and data localization. According to PTA's (Pakistan Telecommunication Authority) data December 2019, there are 165 million cellular users, 76 million 3g/4g subscribers and 78 million broadband subscribers (PTA, 2020). It is a constructive sign for current and upcoming digital businesses for doing business as Pakistan is also on top in mobile ranking in the South Asia region.

Moreover, SMEs have started taking part to spread awareness for online shopping, they are giving internship programs to gain skillful employees, by giving their best services local SMEs are attracting international clients as well. Some SMEs are working in partnership with international clients, in this way there is growing competition between these SMEs who are



working over the web. In digitized SMEs, management has a positive role towards digitalization. They reported it was efficient and saved time. To improve their personal professional knowledge, every employee research independently to boost their resume. Digitality enhanced their business performance. Companies are working for digitalization; they are taking special measures to improve their business performances. Mainly they are improving their customer services, e-technology became a part of their business. Firms are investing in their employees especially by giving them training and development courses, so in the digitalization context companies are showing very much positive results. SMEs are also working for employment, they are visiting different institutions to attract intelligent fresh graduates, they give them a chance to work with them.

5.2 Analysis of sustainability strategy in E-commerce SMEs in Pakistan

As the phenomena of sustainability strategy is quite complicated (Amini and Beinstock, 2014), sustainability must become an integral and strategic factor of business processes (Engert and Baumgartner, 2016; Lamboglia, 2018). In the business, context, sustainability strategy is working through constructive business strategies, achievable goals, policies and actions that meet the needs of the company and its investors and stakeholders while protecting and enhancing the natural and human capital that will be utilized in future (Ukko et al., 2019; IISD, 1994). Presently, Pakistani e-commerce sector is working to attain goals to compete domestically and internationally as well by giving a protected environment for growth of present digitized SMEs, allowing and encouraging new entrepreneurs, aiding local and international trade mainly exports by the low cost of doing the business, growing competitiveness and contribution to overall digitized economy.



Pakistani SMEs authority sector are launching new strategies and policies to aim and meet the Sustainable Development Goals (SDGs) primarily SDG-7 (affordable and clean energy) SDG-8 (promote sustained, inclusive and sustainable financial growth), SDG-9 (build resilient infrastructure, encourage inclusive and sustainable industrialization and foster innovation), SDG-12 (Responsible Consumption and Production), SDG-13 (Climate Action) and SDG-16 (Peace and Justice Strong Institutions). These endeavors that digitized SMEs are taking will assist to achieve the Sustainable Development Goals (E-commerce policy framework of Pakistan). There are a large number of SMEs and mega companies that have installed solar energy and UPS facilities to save electricity, as the electricity is the major problem in Pakistan either its business or household. Companies have started working with domestic NGOs for helping needy people. Furthermore, various companies have started using disposable products that can be easily recyclable to contribute in climate saving action.

In the business point of view, various companies are working through sustainability strategies which will be beneficial for their future in the long-term. Sustainability strategy improving their e-commerce business, they are gaining more clients. They are utilizing their natural and human capital productively; they are investing in their resource for better use in future. Different SMEs have started spreading awareness on sustainability strategy and sustainability, as it's quite a new term in Pakistan. Companies are arranging workshops and seminars, especially by visiting educational institutes. Companies who have highly qualified professionals are prominently working on it as compared to those who don't have skillful employees. These strategies are helping companies know what they need to offer to their clients, these SMEs are fully aware that when they have to help their clients and when they have to take help from their clients or customers. They have more opportunities now as companies who are working on and



working through sustainability strategy, it's a competitive advantage for them.

In Pakistan, some SMEs are taking part in educating other young entrepreneurs and SMEs. Some companies have their own R&D department who are continuously working on improvement on their strategies and on spreading awareness. However, working on sustainability and working through sustainability strategy is quite challenging. Various companies reported it was not easy to implement sustainability strategies in their business, as people here don't have proper knowledge about it. They had to deal with various risks which are social, natural and financial. Still this term is very much new, and a large number of firms have knowledge about sustainability but now sustainability strategy in business context. Companies reported that when you talk about sustainability strategy, the majority of people think it's related to safe environment and climate action. We need to aware other people, other small and medium enterprises, upcoming SMEs. Companies need to know it's not just natural resources it's about all the resources which include your financial and human resources as well, in which your stakeholder or investor is getting proper benefit.

Hörisch, Johnson and Schaltegger (2014) explained that a large number of SMEs are facing multiple hurdles that demotivates their sustainability and one most important reason is lack of knowledge, which blocks the validity of suitable business sustainable strategies in this technologically transformed business marketplace. There are a small number of SMEs who are actually working through sustainable strategies but still there are large numbers of firms who are not aware of this term. Companies in Pakistan mostly use the term 'long-term strategy.' Companies who are working through sustainable strategies, they divide their business processes into small chunks and they are implementing those strategies in small portions.



Respondents from different companies reported that If we talk about America, UK, Australia, Sweden and other European countries they all are educated and fully aware of sustainability and sustainability strategy because they have standards for their businesses, but we need to give awareness to our country and our community especially for the businesses. Another reason is researchers in Pakistan are not currently focusing on sustainable business strategies, although very positive changes have been noticed in digital business and digitalization.

5.3 Analysis of digitality in Bangladesh e-commerce SMEs

The E-commerce sector in Bangladesh is still a young and emerging sector and global e-commerce industry like Alibaba and Xiaomi announced their interest to run business in Bangladesh. The number of websites and online stores are rapidly growing in Bangladesh and the global players are willing to come to Bangladesh and invest in Bangladeshi e-commerce industry.

In Bangladesh, sustainability strategies are not so popular as it is in Western and Nordic countries. As explained earlier, sustainability strategies include the company's economic system, strategies for human resource management, monitoring supply chain management, focusing on environmental issues, most of the SMEs are trying to cope up with sustainable strategies in Bangladesh.

The ICT sector of Bangladesh is growing massively. Bangladesh has the prospect and potential of becoming the market leader in emerging markets. Both government and private owned ICT sectors are working together and creating value in the country's economy. Over the past few years, Bangladesh made a major pace to make a potential outsourcing market. More than 20 thousand people are working in the ICT industries and exporting services to Europe, Australia, USA and so on. The “Digital Bangladesh” initiative of the government is helping to build the



infrastructure of the country and dominant global players like AMD, WorldBridge Global Starting started operating in Bangladesh which is encouraging the local companies to enter into the market and start doing business.

Young entrepreneurs are entering into the market after graduation and contributing to economic growth. There are a large number of Bangladesh SMEs which are providing digital services by E-commerce or IT firms. According to the industrial policy (2005), SMEs had been given priority as other privileged sectors. The education rate of Bangladesh is increasing and the industrial policy is helping the entrepreneurs to do business smoothly and it is also providing facilities to the new business owners. Therefore, the new graduates are not looking for job's years after years. They want to do something by themselves.

However, SMEs are helping and spreading the awareness of digital services to the Bangladeshi people. Time is changing and people are not willing to visit the stores to purchase their daily basis like it was before. Few companies came with some innovative ideas and ensured that they can deliver the necessary household products to the customers by maintaining hygiene quality.

Moreover, the e-commerce SMEs are trying to adopt the digital tools in their business activities. As it is important to be used to the digital platform nowadays to run a business. Most of the businesses realized digital platforms are the easiest way to reach the maximum targeted customers within a short time. Technological advancements are important and most of the companies are trying to cope up with it. The SMEs have a clear vision of utilizing digital tools and providing the fastest customer support by their own digital platform. Therefore, it is important to have very good knowledge of technology and digital tools. SMEs are investing to improve their e-services and e-technologies as it becomes a part of their life. Most of



the companies' top-level management are well qualified and have good knowledge on digital business, e-technologies and e-services. Therefore, if there is any changes or improvement needed, they arrange seminars and workshops to train up the employees. These ICT SMEs are contributing to the country's economy and creating employment opportunities as well.

5.4 Analysis of sustainability strategy in E-commerce SMEs in Bangladesh

Generally, SMEs have limited resources and capabilities. To survive in the market, SMEs need to build some business strategies and apply sustainability strategies. SMEs should make adjustments to their investments and be aware of the operational costs. As Savitz and Weber (2006) mentioned that the SMEs should form policy and even in vision and mission change as they need not only financial resources but also social and natural resources.

Currently Bangladeshi e-commerce sector is working to compete domestically and expand their business internationally by maintaining environmental, social and economic balance. In most of the cases, the SMEs higher management is aware of sustainability strategies and they have long-term plans to implement those strategies. The e-commerce SMEs are focusing on customer's satisfaction as well as maintaining a good working environment for their employees. They do believe that if employees can take the company as his/her own company but not as a work place, things become easier. Therefore, the SMEs are offering bonus, gifts and paid parental leave for employees' satisfaction.

However, most of the e-commerce SMEs are working as a middle entity. They get orders from the customers and place orders to their suppliers. In some cases, the suppliers delay to deliver the products and the order gets cancelled. Sometimes, they get the right product and after a quick checking



policy, they deliver to the customers but at the middle of the road the product is damaged due to a poor communication system. At the end, their customers cancel the order and ask for a refund.

Supply chain department and human resource department are playing vital roles in each e-commerce industry. Though each and every department has their own activities and liabilities, these two departments maintain the whole supply process and business strategies. Besides, the e-commerce SMEs are practicing different CSR activities. In many cases, during crisis moments, they come forward and work for social welfare (e.g. during floods, epidemic moments like COVID-19).

Sustainability strategy is considered as the competitive advantage for the SMEs but there are still now big players in the markets and also few global e-commerce companies are entering into the market as well. SMEs are trying to compete against the competitors and growing the ICT industry rapidly.

5.5 Similarities/differences on sustainability strategy in Bangladesh and Pakistan

In this part, we will make an analysis from the data we got from both countries Bangladesh and Pakistan. The results from the theoretical framework and interviews can provide an obliging view. Firstly, it offers a lucid insight on the detailed perspectives from both countries Bangladesh and Pakistan. After digging into comprehensive data from both emerging countries, we found that well-known SMEs in Bangladesh and Pakistan are familiar with sustainability strategy. We found that some SMEs in both countries are involved and working on sustainability. Many of the multinational companies are moving to Asia (eg. Volvo, Amazon, Google, Nestle, Starbuck, etc) and started practicing sustainability. By practicing



sustainability, the companies are getting popularity very quickly and also capturing the markets very shortly. This is motivating the Asian companies to keep sustainability as their core value.

Pakistani and Bangladeshi SMEs are working through sustainability strategy to achieve their business aims to compete effectively domestically and internationally as well by giving a protected environment for maturation of present digitized SMEs, helping and improving local and global trade. Some SMEs are familiar with the fact that every business needs strong policies and powerful sustainability strategies that can assist you to work with your rivals. Every company tries to attract its employers and maintain its performance but it cannot be fulfilled without sustainable policies.

In the business point of view, various companies are working through sustainability strategies which will be beneficial for their future in the long-term. Sustainability strategy improving their e-commerce business, they are gaining more clients. companies are attracting international clients by improving their customer services and by utilizing their natural and human capital wisely. They are involving their stakeholders in the decision-making process. There are few companies who are working for spread awareness about sustainability and sustainability strategy. These SMEs are educating new entrepreneurs as well, they are especially educating students by visiting different institutions. In Bangladesh and Pakistan, firms' who are blessed by rich natural and human resources, they are contributing effectively. These SMEs are using sustainability and sustainability strategy as a competitive advantage.

Companies who are working through sustainable strategies, they divide their business processes into small chunks and they are implementing those strategies in small portions. Since SMEs are familiar with sustainability development or strategy terms, they aligned this term with digital media or



digital tools so in this way companies are making good progress because everything is maintained now. These new and already matured SMEs are continuously working on how they can gain new customers. Most of them have a strong and good perspective about how much they have a powerful relationship with their customer or if they want to make a long-term relationship with their customer so what benefits they have to offer to the customer. SMEs reported that they know on which point they will assist their customer and on which point they will take help from their customers and sustainability strategy is actually helpful.

Moreover, Pakistani SMEs authority sector are launching new strategies and policies to aim and meet the Sustainable Development Goals (SDGs) and companies are working on sustainable development goals as well. Various companies have started using paperless policy, recyclable products, no plastic policy, solar energy and UPS to save electricity. One primary reason behind this, in Pakistan electricity is a major problem. However, in Bangladesh the SMEs are practicing different CSR activities. Mostly, SMEs come forward and work for social welfare (e.g. during floods, crisis, epidemic moments like COVID-19). In an environmental context, healthy resource SMEs from both countries' firms are positively involved, but low income or small level SMEs are not aware because of lack of financial and expert human resources. In Pakistan SMEs authority sector have introduced strategies to work for SDGs but in Bangladesh some SMEs are working independently for SDGs, no strategies from SMEs authority sector has been seen.

Although this term is totally untouched in the majority of the businesses. During the research, one thing we discovered that mostly SMEs in these emerging countries consider that sustainability and sustainability strategy are the same. SMEs have this mindset that sustainability strategy is related to working positively for climate. Firms reported that working through



sustainability strategy was not easy for them, they had challenges in the beginning. When these firms started working on this, they had difficult time from their management as well. The management was unfamiliar with the term 'sustainability strategy.' In Bangladeshi and Pakistani mega budget industries, this term is quite familiar but in SMEs it's still now. Some SMEs are getting aware of their competitors' actions. Firms who have highly qualified professionals are moving towards a sustainable business and sustainable environment, although, in emerging markets it's not easy for them as well and the reason is inadequate knowledge. Different departments from these SMEs are working to spread the knowledge through their workshops, seminars, business expos, campaigns, educational visits and social media pages. But the block of sustainability and sustainability strategy still needs to be filled.

Most of the respondents from both Bangladesh and Pakistan stated that they do not follow the sustainability strategies appropriately but they follow sustainability strategies partially in terms of human resources. Bangladeshi respondents claimed that the company is arranging various seminars, training courses, compensation and benefit services for employees' motivation and satisfaction i.e., a gym for employees' physical workout, respondent and course for employees' skill development. Similarly, Pakistani respondents explained the importance of sustainability strategies as a social being and they discussed that companies are not applying it with full effort in every business operation, but they are trying to work through sustainability strategy in small chunks. SMEs are focusing on customers' and employees' satisfaction and development. SMEs are taking initiative to educate their employees through workshops and training and development courses. Moreover, they are giving benefits and rewards to employees for their job involvement e.g., free lunch at work, laptops, vacations and shopping discounts to their employees in the term of bonuses.



5.6 Similarities/differences on digital business E-commerce in Bangladesh and Pakistan

It's been a few decades since the computer came to Bangladesh and Pakistan. During the 1970s and early 1980s, both Pakistan and Bangladesh started using computers. In 1980, people started using computers and in early 2000, people started using the internet. Digitalization leads a business to a flexible value network and offers opportunities to the business for growth. Digital transformation affects society, the environment and in particular the economies. Companies are now driven to digitally by new digital technologies like big data, mobile networks, social networks. This change involves their business operations, prices, and values (e.g. elgiganten, H&M). The most change of the core operations of an organization is management practices and sustainable reactions to the society, economy, and environment.

Considering the IT policy of Pakistan and Bangladesh, both countries have maintained friendly environments and also maintain consistency. Both countries are focusing on digital growth. Almost 98% people in Bangladesh are covered by 4G mobile internet and last year, more than 15 million people started using telephone internet where 4 million users are active in social media. Meanwhile, 60% of people out of 200 million in Pakistan have access to the internet. Therefore, the SMEs understood that if they want to survive and want to do business, they should implement digital tools in their business.

Things are changing every day. The policy and strategy that businesses followed 50 years before are not the same as it is today. Therefore, most of the businesses are going to adopt the technology and digital strategies. People are more active on social media like in Facebook, Instagram and



twitter. Therefore, businesses are considering social media marketing for their business.

Most of the SMEs of ICT sectors in Bangladesh and Pakistan are familiar with digital tools. For communications and meetings, they use different digital tools. Many of them have their own platform to operate business. However, accounting, supply chain, marketing and recruiting people, each and everything is going on through digital tools. Bangladeshi and Pakistani IT sectors are emphasizing on exporting software to abroad. Most of their clients are from the USA, Europe and so on. Therefore, it is difficult for the businesses to make a deal with the clients by following analog and manual ways. Digital tools are making things easier and simple. People want things to be easier, simple and faster in this digital era. Therefore, most of the IT SMEs are adopting e-services and e-technologies to conduct and expand their business.

Now SMEs are using digital tools for interacting with each other. If an employee is sick or cannot attend office, he can attend the meeting through a digital platform. Most of the companies are educating their employees to use digital tools. They arrange workshops, seminars to train the employees. Sometimes, the SMEs send their employees abroad for training.

The major problem in digitalization is the load shedding and transportation problem. As both Bangladesh and Pakistan are developing countries, the electricity facilities are not as well as they are in developed countries. Many of the ecommerce industries are facing difficulties due to a bad transportation system and lack of electricity. There are some areas where electricity is not available yet and therefore, it is not possible to cover the whole country for digital business.

E-commerce and IT businesses change every day and the SMEs need to update and adopt their new technologies and strategies. Each and every



moment is challenging for IT SMEs. The supervision from the governments is not enough for the IT sectors. But both governments are making soft and good policies for boosting up the businesses of IT sectors. The rapid growth of IT SMEs is creating employment to the society and also contributing to the national economy rapidly.

Considering both countries, Bangladesh and Pakistani SMEs in service sectors (ICT and E-commerce industries) are moving towards digitalization for making things easier and faster. Most of the companies are using their own platform for providing e-services and ready to adopt the new technology. Most of the respondents agreed that the time we are passing, it demands digitalization and it should start from small changes. Respondents agreed that digitalization have made their business activities easier. Similarly, Bangladeshi respondents claimed that they have their own platform to communicate with each other.

6 Conclusion

The conclusion ties together the preceding segments of the thesis in order to answer the research questions that this thesis sought out to answer. Furthermore, theoretical and managerial implications derived from this research are presented. Finally, the limitations of this study, as well as future research opportunities will be disclosed

6.1 Answer to the Research Question

The first question in this thesis paper was asked “What are the views of digitality on E-commerce SMEs of Bangladesh and Pakistan?” Based on the literature review regarding digitality on Ecommerce SMEs of Bangladesh and



Pakistan, views of the digitality, a theoretical framework was developed. According to our literature reviews and findings, most of the E-commerce SMEs are trying to utilizing digital tools in their business to make the work easier; for example: communication between business owners and clients via internet, product selection, product delivery tracking, marketing an advertisement and online payments etc. The interest towards digitalization has been noticed from last decade when the governments of both emerging markets Bangladesh and Pakistan started taking progressive steps for the improvement of digital businesses and overall e-commerce domain. Furthermore, the large number of cellular, 3g/4g and broadband subscribers have been noticed. Also, the interest is growing towards the online businesses and its facilities as well.

The second question in this thesis paper was given “How E-commerce SMEs are applying sustainability strategy in their business in Bangladesh and Pakistan?” A literature review on sustainability strategy on both Bangladesh and Pakistan was developed to support the findings and making easier to the reader. According to the theoretical framework and findings sustainability strategy including human, natural and financial resources in digital business helps to create maximum benefit. Most of the companies have a clear vision on being digitized and they are arranging different seminars and workshops to educate their employees on new e-technology and e-services especially for new entrepreneurs. Digital tools enhancing companies’ activities and the digital business are doing well compared to the other sectors. Digital businesses are now going for expansions and sustainability strategy is taking this to the next level for being internationalized.

The third question in this thesis paper was “What can the managers consider in the future for utilizing sustainability strategy in their digital business?”. Based on our interview scripts and findings, most of the E-commerce SMEs



are trying to make sure the maximum utilization of available digital tools for their company and apply sustainability strategy framework at their working place. Sustainability strategy is becoming the core value for the SMEs. Some SMEs are trying to adopt sustainability strategies to compete. They are working for the social, economic and environmental betterment. Therefore, they started from their own working place and tried to maximize employees' satisfaction by providing incentives. Social crises like flood, viruses like COVID-19, SMEs are contributing to society. Companies who are performing their business activities by making strategic policies while securing and maintaining their financial, natural and human capital for future use, those companies are gaining maximum benefits. Companies who involve their stakeholders in decisions and policy making processes and meet their requirements are getting more revenue.

6.2 Theoretical Implication

This thesis can be a fundamental idea for upcoming researchers on the sustainability strategy in digitalized business especially in emerging markets. If we go in more detail on emerging markets then its admissible research goal for researchers in our selected markets Pakistan and Bangladesh. The lack of literature available on sustainability strategy in digitalized business especially in emerging markets. (Ukko et al., 2019) offered the precise scope to participate more on the sustainability strategy topic. When conducting the research from two similar but almost different emerging markets Pakistan and Bangladesh, we found the positive link between sustainability strategy and digitalized service sector SMEs. We then made comparison and analysis of that data which we gathered from both counties.



Through our research from primary and secondary sources, we come across that in these both emerging markets this term is utterly new. Majority of SMEs are not familiar with sustainability strategy, SMEs have idea about environmental issues but not with sustainability strategy. Moreover, firms who are performing their business tasks by considering environmental issues are also few. Because there is a lack of research and knowledge on sustainability strategy. However, SMEs who are implementing sustainability strategy in their business's activities, process and delivery of their services they are attracting international clients. Secondly, another factor has been noticed which is SMEs who are investing in their employees, their employees are more positively engaged in these initiatives. During the pandemic disease, these SMEs are still connected with their employees by their support, furthermore, their business activities and meetings are going on because of the digitality in their business.

The analysis depicts that both countries are moving rapidly towards digitalization, there are a number of digitized SMEs who deal their business over the web. Government is taking positive steps to support them, there are particular rules and policies regarding security that every digitized business has to follow. In addition, Pakistani state announced new policies regarding logistics, taxation policy, and more extensive information for the firms who want to work domestically or with international enterprises (E-Commerce Policy Framework of Pakistan, 2019). Furthermore, Bangladeshi government is also motivating SMEs by reducing taxation policy, intensive care for start-up and so on (E-commerce Association Bangladesh, 2019).

Therefore, if we talk about digitalization in Pakistan and Bangladesh then according to statistics both countries have strong interest in digitality in business especially in SMEs.



6.3 Managerial Implication

The results of the research can be helpful to the members of the management of SMEs. In this paper, firstly, it gives insights of the factors in both sustainability and digital business that can be enhanced for further implementation. In fact, the important role of SMEs to the emerging economy is also explained in depth scale.

Secondly, this thesis is concentrating how the SMEs are moving towards digitalization and adopting new technologies and e-services and replacing their manual works. This paper might be helpful for the start-up SMEs who want to transform their business to digitalization and get benefit of it. Relatively, how employees are reviewing the company's activities and evaluating the company's performance, also been discussed in this study.

Therefore, the managers and top-level management can get the idea and review their activities to create employee's satisfaction.

Finally, the paper is also concerned about sustainability strategy in digital business which can be effective for any business if the business can utilize their natural, human and financial resources properly. However, this might help the top-level managers to think and implement at their business to get benefit.

6.4 Limitation

One of the major limitations of our study is pandemic COVID19. As most of the countries are having lockdown, the authors could not travel and conduct face to face interviews. Furthermore, the authors could not conduct more interviews as it took a long time to allows respondents to become oriented to the topic.



However, many of the respondents were not willing to allow the researchers to record their interviews. As a result, the authors needed to select small sample size.

Although the sample of 3 respondents from each country Pakistan and Bangladesh is inadequate, still large sample size could be provided and that might lead to a different conclusion. Future research can be conducted by using other sampling technique as well. Because of this, the findings might not be suitable for other emerging markets.

6.5 Suggestion for the future research

The primary limitation of this study is the fact that the method selected for the research was qualitative, future research can be conducted by other research methods, especially quantitative methods to get more extensive outcomes. Since, the substantial difference is present in both markets but still the result about sustainability strategy and digitalization is almost similar. To complete this research study, the sample was SMEs from the e-commerce sector of Pakistan and Bangladesh but future research can be conducted by selected manufacturing SMEs as a sample.

Another important recommendation is future research can be conducted by investigating how financial performance is improving by using sustainability strategy in the digitized firms? Furthermore, the research on this topic in the same regions is not satisfactory or even below the average. Therefore, we suggest other research to conduct on this topic, in this way, so SMEs can get benefit. Additional suggestions is the analysis and findings are linked to the interviews. Because of Pandemic diseases the sample size was six, three from Pakistan and three from Bangladesh. However, the sample size can be 10-12 to get a more comprehensive view of the study.



Due to this research gap, we could not find large amounts of data on sustainability strategy in emerging markets Pakistan and Bangladesh. We encourage future researchers to conduct research on the similar topic but with different research methods and sample size. We also recommend researchers to conduct this study with same research method but with large sample size in the same or different emerging markets.

Finally, the literature review presented the strong connection between respondents and the conceptual framework. Nonetheless, these links could not be studied due to the broader scope of our research.



7 References

1. Abedisi, S. A., & Bakare, N. A. (2019). Survival Strategies and Sustainability of Small and Medium Enterprises in a Volatile Environment. *Management Dynamics in the Knowledge Economy*, 7(4), 553–569.
2. Abdin J. Md. (2016) Service Sector of Bangladesh Deserves Extra Care. *Journal of Economics literature*. 54, (1–4).
3. ACM. Digital Transformation: A Business Imperative. (2019). *Communications of the ACM*, 62(11).
4. Agtmael, A. V. (2013). *The Emerging Markets Century: How a New Breed of World-Class Companies Is Overtaking the World*. Riverside: Free Press.
5. Aguinis, H., & Glavas, A. (2013). Embedded Versus Peripheral Corporate Social Responsibility: Psychological Foundations. *Industrial and Organizational Psychology*, 6(4), 314–332.
6. Ahmed K. & Chowdhury T-A (2009). Performance Evaluation of SMEs of Bangladesh. *International Journal of Business and Management*. 4(7). 126-136
7. Alakeson, Vidhya & Wilsdon, James (2008) *Digital sustainability in Europe*. *Journal of Industrial Ecology*, 6 (2). pp. 10-12
8. Alli, A. & Shahed A.B.M. (2016). Business Model On & quot; Mobile Financial Service of Bkash Limited in Bangladesh. Pp. 1- 5
9. Alvesson, M. & Sandberg, J. (2011). Generating research questions through problematization. *Academy of Management Review*, 36(2), pp.247-271.



10. Alvesson D., M. (2016): Small Scale Sustainability: A Qualitative Study of Corporate Sustainability in Swedish SMEs. Masterthesis in Sustainable Development at Uppsala University, 45 pp, 30 ECTS/hp
11. Alvesson, M. & Sköldberg, K. (2009). *Reflexive Methodology - 2Nd Ed.*. London: Sage Publications.
12. Amini, M., & Bienstock, C. C. (2014). Corporate sustainability: an integrative definition and framework to evaluate corporate practice and guide academic research. *Journal of Cleaner Production*, 76, 12–19.
13. Anthonisen, L. (2018). 5 reasons to expand your digital strategy into Pakistan. Retrieved November 2018, from Available at: <https://www.thinkwithgoogle.com/intl/en-apac/trends-and-insights/5-reasons-expand-your-digital-strategy-pakistan/>
14. Ates, S. (2020). Membership of sustainability index in an emerging market: Implications for sustainability. *Journal of Cleaner Production*, 250, p.119465.
15. Aragón-Correa, J. A., Hurtado-Torres, N., Sharma, S., & García-Morales, V. J. (2008). Environmental strategy and performance in small firms: A resource-based perspective. *Journal of Environmental Management*, 86(1), 88–103.
16. Baig, M. I. (2019, August 10). Business Recorder. National SME Policy 2019. Retrieved from <https://fp.brecorder.com/2019/08/20190810505818/>
17. Bansal, P. (2005). Evolving sustainably: a longitudinal study of corporate sustainable development. *Strategic Management Journal*, 26(3), 197–218.
18. Bari, F., & Ali Cheema, E.-ul-H. (2016, August 2). SME Development in Pakistan Analyzing the Constraints to Growth. Retrieved April 14, 2020, from <https://think-asia.org/handle/11540/6244>.



19. Bangladesh Bank (2010). Small and Medium Enterprise (SME) Credit Policies and Programmes. SME & Special Programmes Department. p. 7-15
20. Bangladesh Ministry of Finance. (2019). Information & Communication Technology Division, Grant no 25, p- 323 [Online] Available at:
https://mof.gov.bd/sites/default/files/files/mof.portal.gov.bd/budget_mof/1b06cfbd_a727_4020_9f45_e79e16421e50/128_ICT_%20English.pdf [Last accessed: 15.04.2020]
21. BarNir, A., Gallagher, J. M., & Auger, P. (2002). Business process digitization, strategy, and the impact of firm age and size: the case of the magazine publishing industry. *Journal of Business Venturing*. 18, 789–814.
22. Bashir, D. R., Mehboob, I., & Bhatti, W. K. (2019). Effects of Online Shopping Trends on Consumer-Buying Behavior: An Empirical Study of Pakistan. *Journal of Management and Research*, 2(2), 1–24.
23. Bennett, R. J., & Smith, C. (2004). The Selection and Control of Management Consultants by Small Business Clients. *International Small Business Journal: Researching Entrepreneurship*, 22(5), 435–462.
24. Berg, B. L. (2009). *Qualitative Research Methods for the Social Sciences*. Boston: Allyn and Bacon.
25. Berisha G. & Pula J-K. (2015). Administration, Law and Social Sciences: Defining Small and Medium Enterprises: a critical review. *Academic Journal of Business*, 1(1), pp 18-21.
26. Bhowmik R., (2012); The Present E-commerce Situation in Bangladesh for B2C E-commerce. *International Journal of Economic Research*; 3(5), pp.77-91.



27. Bowen, M., Morara, M., & Mureithi, M. (2009). Management of Business Challenges Among Small and Micro Enterprises in Nairobi-Kenya. *KCA Journal of Business Management*, 2(1).
28. Braga, V., Correia, A., Braga, A., & Lemos, S. (2017). The innovation and internationalisation processes of family businesses. *Review of International Business and Strategy*, 27(2), 231–247.
29. Bromley, P., & Powell, W. W. (2012). From Smoke and Mirrors to Walking the Talk: Decoupling in the Contemporary World. *The Academy of Management Annals*, 6(1), 483–530.
30. Brunnström, K., Ahlgren, B., Lagerstedt, C., Kihl, M. and Novak, A., (2020). Future Media Distribution: An Innovation Agenda for Digital Media Distribution. [online] DIVA. Available at: <<http://www.diva-portal.org/smash/record.jsf?pid=diva2%3A912644&dsid=1715>> [Accessed 31 March 2020].
31. Braun, V. & Clarke, V. (2006) Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3, 77-101.
32. Business Strategy for Sustainable Development: Leadership and Accountability for the 90s. International Institute for Sustainable Development Winnipeg Canada: IISD, Jointly with Deloitte and Touche; Business Council for Sustainable Development, 1992, pp 82.
33. Carrasco, E. R., & Williams, S. (2012). Emerging economies after the global financial crisis: The case of Brazil. *Northwestern Journal of International Law & Business*, 33(1), 81-119.
34. Choi, Y. (2017). Digital Business and Sustainable Development: Asian Perspective; Routledge Publishing Co.: New York, NY, USA. p. 25
35. Choi, Y. & Mai, D. (2018). The Sustainable Role of the E-Trust in the B2C E-Commerce of Vietnam. *Sustainability*, 10(2), p.291.
36. Clarke, V. & Braun, V., (2016). Thematic analysis. *The Journal of Positive Psychology*, 12(3), 297-298.



37. Creswell, J. W. (2013). *Qualitative Inquiry & Research Design: Choosing Among Five Approaches*. SAGE, California.
38. Crilly, D., Hansen, M., & Zollo, M. (2016). The Grammar of Decoupling: A Cognitive-Linguistic Perspective on Firms' Sustainability Claims and Stakeholders' Interpretation. *Academy of Management Journal*, 59(2), 705–729.
39. Cui, M., & Pan, S. L. (2015). Developing focal capabilities for e-commerce adoption: A resource orchestration perspective. *Information Management*, 52(2), 200-209.
40. Daily Times. (2020). Unleashing the True Potential of SMEs in Pakistan. (2020, January 27). Retrieved April 10, 2020, from <https://dailytimes.com.pk/547057/unleashing-the-true-potential-of-smes-in-pakistan/>
41. Data & Statistics. (2019). Retrieved August 20, 2020, from <http://www.btrc.gov.bd/data-statistics>
42. Digital Pakistan. (2019, December 7). Retrieved July 1, 2020, from <https://www.dawn.com/news/1520932/digital-pakistan>
43. Drigas A. & Leliopoulos P. (2013). Business to Consumer (B2C) E-Commerce Decade Evolution. Business to Consumer (B2C) E-Commerce Decade Evolution. *International Journal of Knowledge Society Research*, 4, 1-10.
44. Easton, G. (2010). Critical realism in case study research. *Industrial Marketing Management*, 39(1), 118–128.
45. E-cab. 2016. e-cab.net. Retrieved July 10, 2018, from e-cab.net/resource-center/bangladesh-e-commerce-sector/
46. EC, European Commission. (2017, August 30). What is an SME? Retrieved April 10, 2020, from https://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en



47. E-Commerce: International Trade Administration. (2019, October 13). Retrieved July 4, 2020, from <https://www.trade.gov/knowledge-product/pakistan-ecommerce>
48. E-commerce policy framework of Pakistan, 2019. (2019). Retrieved from <http://www.commerce.gov.pk/wp-content/uploads/2019/08/Draft-E-Commerce-Policy-Framework-Final-23-8-19.pdf>
49. El sawy et al., (2016). Vinther How LEGO built the foundations and enterprise capabilities for digital leadership. *MIS Q. Exec.*, 15 (2), 141-166.
50. Engert, S., Rauter, R., & Baumgartner, R. J. (2016). Exploring the integration of corporate sustainability into strategic management: a literature review. *Journal of Cleaner Production*, 112, 2833–2850.
51. Export Promotion Bureau of Bangladesh. 2017. Bangladesh Exports. [ONLINE] Available at: <http://www.epb.gov.bd/>. [Accessed 2020.04.06].
52. Fening, F. A., Pesakovic, G., & Amaria, P. (2008). Relationship between quality management practices and the performance of small and medium size enterprises (SMEs) in Ghana. *International Journal of Quality & Reliability Management*, 25(7), 694–708.
53. Gebler, M., Schoot Uiterkamp, A. J. M., C. & Visser, C. (2015). A global sustainability perspective on 3D printing technologies, *Energy Policy*, 85, p 158–167.
54. Ghangro, A. A. (2019, November 26). SME Financing in Pakistan: A Bridge NOT Too Far. Retrieved from <https://www.brecorder.com/2019/11/26/547568/sme-financing-in-pakistan-a-bridge-not-too-far/>
55. Goles, T., & Hirschheim, R. (2006). The Paradigm is Dead, the Paradigm is Dead ... Long Live the Paradigm: The legacy of Burrell and Morgan. *Omega*, 28(3), 249–268.



56. Goddard, W., & Melville, S. (2004). *Research methodology: an introduction* (2nd ed.). Blackwell Publishing.
57. Goodman, V. D. 2004. *Qualitative research and the modern library*. Oxford, UK: Chandos Pub.
58. Greenleaf, G., 2014. Asian Data Privacy Laws. Oxford: Oxford University Press. P. 447-460
59. Group, E., 2020. [online] Lict.gov.bd. Available at: <http://lict.gov.bd/uploads/file/publication_5a3f7c94c9458.pdf> [Accessed 21 May 2020].
60. Gupta, A., & Hammond, R. (2005). Information systems security issues and decisions for small businesses. *Information*
61. Haack, P., & Schoeneborn, D. (2015). Is Decoupling Becoming Decoupled from Institutional Theory? A Commentary on Wijen. *Academy of Management Review*, 40(2), 307–310.
62. Habib, A. & Baizid A-k. 2010. achievements and Expectations of Digital Bangladesh: e-Governance Initiatives in Bangladesh. Proceedings of the 4th International Conference on Theory and Practice of Electronic Governance. Beijing.
63. Hahn, T., Pinkse, J., Preuss, L., & Figge, F. (2016). Ambidexterity for Corporate Social Performance. *Organization Studies*, 37(2), 213–235.
64. Haider, M. (2019, August 4). The News. SMEs to get higher growth through structural adjustments. Retrieved April 11, 2020, from <https://www.thenews.com.pk/print/508692-smes-to-get-higher-growth-through-structural-adjustments>
65. Hart, S. L., & Dowell, G. (2011). A natural e resource e-based view of the firm: fifteen years after. *Journal of Management*, 37(5), 1467–1479.
66. Hasan, J. (2019). E-commerce and its impact on retail stores in Slovakia. *Studia Commercialia Bratislavensia*, 12(41), 16–23.



67. Hashim, F. (2010). Challenges for the internationalization of SMEs and the role of government: the case of Malaysia. *Journal of International Business and Economy*, 13, 97–122.
68. Herdon, M., Várallyai, L., & Péntek, Á. (2012). Digital business ecosystem prototyping for SMEs. *Journal of Systems and Information Technology*, 14(4), 286–301.
69. Heikkurinen, P. (2011). Environmental Strategy and Sustainability.' IN: Idowu, SO. & Louche, C. (Eds.) *Theory and Practice of Corporate Social Responsibility*, Berlin Heidelberg: Springer-Verlag. pp. 123–140.
70. Hengst, I.-A., Jarzabkowski, P., Hoegl, M., & Muethel, M. (2020). Toward a Process Theory of Making Sustainability Strategies Legitimate in Action. *Academy of Management Journal*, 63(1), 246–271.
71. Hörisch, J., Johnson, M. P., & Schaltegger, S. (2014). Implementation of Sustainability Management and Company Size: A Knowledge-Based View. *Business Strategy and the Environment*, 24(8), 765–779.
72. Hoskisson, R. E., Eden, L., Lau, C. M., & Wright, M. (2000). Strategy in emerging economies. *Academy of Management Journal*, 43(3): 249–267.
73. Hussain, J. (2019, August 23). 'Pakistan on shortlist of 5G-ready countries with Zong's successful trial'. Retrieved July 1, 2020, from <https://www.dawn.com/news/1501031>
74. Husin, M. A., & Ibrahim, M. D. (2014). The Role of Accounting Services and Impact on Small Medium Enterprises (SMEs) Performance in Manufacturing Sector from East Coast Region of Malaysia: A Conceptual Paper. *Procedia - Social and Behavioral Sciences*, 115, 54–67.
75. IEG. (2008). Financing micro, small, and medium Enterprises: An Independent Evaluation of IFC's experience with Financial



- intermediaries in frontier Countries. Independent Evaluation Group, the International Finance Corporation, World Bank Group.
76. IndexMundi. Pakistan Demographic Profile. Retrieved May 21, 2020, from
https://www.indexmundi.com/pakistan/demographics_profile.html
77. Indiparambil J. J (2019). Strategic to Sustainable Human Resource Management: Shifting Paradigms of Personal Managerial Trends. *International Journal of Business and Management Invention*, 8 (3), 65-70
78. Islam, M. (2018). E-Commerce in Bangladesh: Growth and Challenges. [online] Iosrjournals.org. Available at: & It;
<http://www.iosrjournals.org/iosr-jbm/papers/Vol20-issue3/Version-5/B2003051015.pdf>>; [Accessed 18 August 2020].
79. Islam, et al. (2013). Textile Industries in Bangladesh and Challenges of Growth. *Research Journal of Engineering science*, 2, 33-42.
80. Islam. M., Z. (2004) Boom in ICT Exports. Thedailystar [Online] Available at <https://www.thedailystar.net/supplements/digital-frontiers/boom-ict-exports-1535863> [Last Accessed 2020-04-06]
81. Issa, A., Lucke, D., & Bauernhansl, T. (2017). Mobilizing SMEs Towards Industrie 4.0-enabled Smart Products. *Procedia CIRP*, 63, 670–674.
82. Jankowska, B., Götz, M., & Główk, C. (2017). Intra-cluster Cooperation Enhancing SMEs' Competitiveness-the Role of Cluster Organisations in Poland. *Investigaciones Regionales Journal of Regional Research*, 39, 195–214.
83. Javalgi, R. R. G., & Grossman, D. A. (2014). Firm Resources and Host-Country Factors Impacting Internationalization of Knowledge-Intensive Service Firms. *Thunderbird International Business Review*, 56(3), 285–300.



84. Jovanovic, M., Dlacic, J., & Okanovic, M. (2018). Digitalization and Society's Sustainable Development - Measures and Implications. *Zbornik Radova Ekonomskog Fakulteta u Rijeci / Proceedings of Rijeka School of Economics*, 36, 905-928.
85. Kallinikos, et al. (2013). The ambivalent ontology of digital artifacts. *MIS Q.*, 37 (2), pp. 357-370.
86. Kalu, Felicity & Bwalya, Jack. (2017). What Makes Qualitative Research Good Research? An Exploratory Analysis of Critical Elements. *International Journal of Social Science Research*, 5.
87. Karim, Thohidul & Qi, Xu. (2018). E-commerce Development in Bangladesh. *International Business Research*, 11, 201.
88. Karim, M. & Qi, X. (2018). E-commerce Development in Bangladesh. *International Business Research*, 11(11), 201–208.
89. Kartik, H., Kala, P., Jain, P. & Gupta, R., (2020). Betting on the future - the Bangladesh IT - Ites Industry Is Poised for Growth. [online] Lict.gov.bd. Available at: <http://lict.gov.bd/uploads/file/publication_5a3f7c94c9458.pdf> [Accessed 13 April 2020].
90. Katz,R.L., Koutroumpis, P. & Callorda, F. (2013). The Latin American path towards digitization. *Info*, 15(3), 6-24.
91. Keen, P., & Williams, R. (2013). Value architectures for digital business: beyond the business model. *MIS Quarterly*, 37(2), 643–647
92. Kiss, A. N., Danis, W. M., & Casvugil, S. T. 2012. International entrepreneurship research in emerging economies: a critical review and research agenda. *Journal of Business Venturing*, 27(2), 266–290.
93. Khan, S. A. (2018, March 26). Pakistan's booming e-commerce market is just getting started. Retrieved April 14, 2020, from <https://www.dawn.com/news/1397446>



94. Kvale, S., & Flick, U. (2009). *Doing interviews*. Los Angeles: SAGE Publications Ltd.
95. Lamboglia, R., Fiorentino, R., Mancini, D., & Garzella, S. (2018). From a garbage crisis to sustainability strategies: The case study of Naples' waste collection firm. *Journal of Cleaner Production*, 186, 726–735.
96. Labudová, L., & Jánošová, D. (2019). Analysis of support and identification of barriers to SMEs in Slovakia and in the Czech Republic. *Serbian Journal of Management*, 14(2).
97. Leonard-Barton, D. (1990). A Dual Methodology for Case Studies: Synergistic Use of a Longitudinal Single Site with Replicated Multiple Sites. *Organization Science*, 1(3), 248–266.
98. Li, J., Dou, Z., Zhu, Y., Zuo, X., & Wen, J.-R. (2020). Deep cross-platform product matching in e-commerce. *Information Retrieval Journal*, 23(2), 136–158.
99. Mahathir, M. (1991). “Malaysia: The way Forward”. Working paper presented at the inaugural meeting of the Malaysian business council, Kuala Lumpur.
100. MacLean, T. L., & Behnam, M. (2010). The Dangers of Decoupling: The Relationship Between Compliance Programs, Legitimacy Perceptions, and Institutionalized Misconduct. *Academy of Management Journal*, 53(6), 1499–1520.
101. Margolis, J. D., & Walsh, J. P. (2003). Misery Loves Companies: Rethinking Social Initiatives by Business. *Administrative Science Quarterly*, 48(2), 268.
102. Market Challenges: International Trade Administration. (2019, October 13). Retrieved July 4, 2020, from <https://www.trade.gov/knowledge-product/pakistan-market-challenges>



103. Market Overview: International Trade Administration. (2019, October 13). Retrieved July 4, 2020, from <https://www.trade.gov/knowledge-product/pakistan-market-overview>
104. McDougall, P. F., Shane, S., & Oviatt, B. M. (1994). Explaining the formation of international new ventures: The limits of theories from international business research. *Journal of Business Venturing*, 9, 469–487.
105. McKinsey and Company (2019). Asia's future is now. McKinsey Global Institute, 1-16.
106. Mehmood, Z., Kouser, R., Hassan, I. E., & Iqbal, Z. (2017). Why Pakistani Small and Medium Enterprises are Not Reporting on Sustainability Practices. *Pakistan Journal of Commerce and Social Sciences*, 11(1), 488–504.
107. Mel, S. D., Mckenzie, D., & Woodruff, C. (2014). Business training and female enterprise start-up, growth, and dynamics: Experimental.
108. Merriam, S. B. (1998). *Qualitative research and case study applications in education: revised and expanded from case study research in education*. San Francisco: Jossey-Bass.
109. Merriam, S. B. (2009). *Qualitative research: a guide to design and implementation* (2nd ed.). San Francisco: Jossey-Bass.
110. Meyer, C. B. (2001). A Case in Case Study Methodology. *Field Methods*, 13(4), 329–352.
111. Meyer, C. R., Skaggs, B. C., Nair, S., & Cohen, D. G. (2015). Customer interaction uncertainty, knowledge, and service firm internationalization. *Journal of International Management*, 21(3), 249–259
112. Ministry of Commerce and Textile. (2019). E-Commerce Policy Framework of Pakistan. P. 8-12.



113. Mittal, S., Khan, M. A., Purohit, J. K., Menon, K., Romero, D., & Wuest, T. (2019). A smart manufacturing adoption framework for SMEs. *International Journal of Production Research*, 58(5), 1555–1573.
114. Mondal, M. (1970). Crop agriculture of Bangladesh: challenges and opportunities. *Bangladesh Journal of Agricultural Research*, 35(2), pp.235-245.
115. Motwani, J., Mirchandani, D., Madan, M., & Gunasekaran, A. (2002). Successful implementation of ERP projects: Evidence from two case studies. *International Journal of Production Economics*, 75(1-2), 83–96.
116. Muhammad, Z. I. (2018). Annx.asianews. network. Retrieved from <http://annx.asianews.network/content/bangladesh-e-commerce-sites-basking-eid-world-cup-orders-74169>
117. Müller, J. M., Buliga, O., & Voigt, K.-I. (2018). Fortune favors the prepared: How SMEs approach business model innovations in Industry 4.0. *Technological Forecasting and Social Change*, 132, 2–17.
118. National Financial Inclusion Strategy (NFIS). Retrieved April 11, 2020, from <http://www.sbp.org.pk/finc/NF.asp>
119. Neuman, W. L. (2020). *Social research methods: qualitative and quantitative approaches*. Boston, MA: Pearson Education, Inc.
120. Nordenflycht, A. V. (2010). What Is a Professional Service Firm? Toward a Theory and Taxonomy of Knowledge-Intensive Firms. *Academy of Management Review*, 35(1), 155–174.
121. Oestreicher-Singer, G., & Zalmanson, L. (2013). Content or Community? A Digital Business Strategy for Content Providers in the Social Age. *MIS Quarterly*, 37(2), 591–616.
122. O'Mahoney, J., & Markham, C. (2013). *Management consultancy*. Oxford: Oxford University Press.



123. Ooi, S. M., & Richardson, C. (2019). The internationalization of service-sector SMEs in an emerging market: insights from business training and consultancy firms in Malaysia. *Review of International Business and Strategy*, 29(1), 44–60.
124. Pakistan Commercial Guide: International Trade Administration. (2019). Retrieved July 1, 2020, from <https://www.trade.gov/knowledge-product/pakistan-market-overview?section-nav=3640>
125. Pakistan Telecommunication Authority. (2019, December). Retrieved April 14, 2020, from <https://www.pta.gov.pk/en/telecom-indicators>
126. Park, Y., & Mithas, S. (2020). Organized complexity of digital business strategy: a configurational perspective. *MIS Quarterly*, 44(1), 85–127.
127. Perspective Plan of Bangladesh 2010-2021, Making Vision 2021 a Reality, General Economic Division, Planning Commission, Government of the People's Republic of Bangladesh.
128. PMIC Media Library. (2019). Retrieved April 13, 2020, from <http://pmic.pk/publications.html#>
129. PTA (2019). Telecom Indicators [Online] Available at: <https://www.pta.gov.pk/en/telecom-indicators>. Last Accessed 14.04.2020]
130. Qureshi, N., 2013. Shameful but true: Pakistan laws remain those of our British overlords. [Blog] *Blog Tribune*, Available at: <https://blogs.tribune.com.pk/story/19514/shameful-but-true-pakistan-laws-remain-those-of-our-british-overlords/> [Accessed 25 May 2020].
131. Radulovich, L., Javalgi, R. (R. G., & Scherer, R. F. (2018). Intangible resources influencing the international performance of professional service SMEs in an emerging market. *International Marketing Review*, 35(1), 113–135.



132. Reihlen, M., & Apel, B. A. (2007). Internationalization of professional service firms as learning – a constructivist approach. *International Journal of Service Industry Management*, 18(2), 140–15.
133. Sachdeva, g, Narwal, M., & Kant, R. (2018). Factors affecting usage of e-Commerce: a study of Haryana region. *International Journal of Management and Information Technology*, 3(2), 17–26.
134. Sachenko, A. (2019). Electronic Commerce Systems. Retrieved May 23, 2020, from <http://www.scribd.com/doc/396840/electronic-commerce-systems>
135. Sajjad, A., & Eweje, G. (2014). Corporate social responsibility in Pakistan: current trends and future directions. In *Corporate Social Responsibility and Sustainability: Emerging Trends in Developing Economies* (pp. 163-187). Emerald Group Publishing Limited.
136. Sajuyigbe, A. S. (2012). Adoption of e-commerce to business operations: A key to achieving Nigeria Vision 20:2020,” A Paper Presented at 2012 National Conference on Nigeria’s Transformation and the Vision 20:2020 Policy of the Federal Government, Organized by Faculty of Business and Communication Studies, The polytechnic, Ibadan, Nigeria, 2012.
137. Saunders, B., Sim, J., Kingstone, T. et al. (2018). Saturation in qualitative research: exploring its conceptualization and operationalization. *Qual Quant* 52, 1893–1907.
138. Saunders, M., Lewis, P., & Thornhill, A. (2018). *Research Methods for Business Students*. S.l.: Pearson Education Limited.
139. Schendel, W., 2009. ‘A History of Bangladesh. [online] Cambridge University press. Available at: <http://assets.cambridge.org/97805214/35826/frontmatter/9780521435826_frontmatter.pdf> [Accessed 25 May 2020].
140. Schiersch, A. 2009. Inefficiency in the German Mechanical Engineering Sector. *SSRN Electronic Journal*.



141. Schumpeter, J. A. (1939). *Business cycles a theoretical, historical and statistical analysis of the capitalist process*. New York.
142. Schwartz, D., & Bar-El, R. (2004). Targeted Consultancy Services as an Instrument for the Development of Remote SMEs. *International Small Business Journal: Researching Entrepreneurship*, 22(5), 503–521.
143. Senyo, P. K., Liu, K., & Effah, J. (2019). Digital business ecosystem: Literature review and a framework for future research. *International Journal of Information Management*, 47, 52–64.
144. Seventh Five Year Plan FY2016 – FY2020. (2016). Accelerating Growth, Empowering Citizen, General Economic Division, Planning Commission, Government of the People’s Republic of Bangladesh, Chapter 12, pp. 612.
145. Shadman, A. (2018, May 14). Ranked: These Are the Top 10. [Online] Ecommerce Stores in Pakistan. Available at: <https://propakistani.pk/2017/07/19/ranked-top-10-online-ecommerce-stores-pakistan/> [Accessed 14.04.2020]
146. Shafique, Muhammad. (2017). Agriculture in Pakistan and its impact on economy—a review. *International Journal of Advanced Science and Technology*, 103, 47-60.
147. Sheth, J. and Sinha, M., (2015). B2B branding in emerging markets: A sustainability perspective. *Industrial Marketing Management*, 51, pp.79-88.
148. SMEDA Objectives 2016. (2016, July 29). Retrieved April 14, 2020, from http://www.smeda.org/index.php?option=com_content&view=article&id=2&Itemid=689
149. SMEDA. Retrieved April 11, 2020, from https://smeda.org/index.php?option=com_phocadownload&view=category&id=147:services&Itemid=308&cf_chl_jschl_tk_=f5af6842



[4a219aea001f2e4ab9d535f0fe9d0c69-1586729762-0-AeT2hMw4asQQM8jk-c_5O5BDP_kVDZSbXG1DIlwDfMyDE_Tm5m8s-AgqbtR4hWpei5LYErsluMUeyEVVK8skuW4](https://smeda.org/index.php?option=com_content&view=article&id=7:state-of-smes-in-pakistan&catid=15&cfchljschltk=d8c57d3800eb0ed213b273e0fe9fd88f680527da-1586727472-0-AZBuSrYZZKd8HuW2XSAD8oSjbXhptQwdkjBOqpuZKgTqJ2EPCF8kC7qYbWFtMeYnNoVnd6gCpwwbl9rBBls8X1Pv0V6Evt5afXv87dQasW0q1X3dzMePnrMhvVv0VrQajU27ew9Gxchf17tlE5pI5twlR-RwEJfFbGRnoMqcknd6Kikyc92BgrY0pu3HaEmofuu92iFhSNVlhF4p78CA65I8XxZNyqKjsKW6EQnfp64kq948IWgVsmxksS6KMRPm5Aubw-kCzg80pobW85GT78tPXu5ON4QdoqYymGNnTTK13d4bON8XKfkjWPqCUtwI0mo50NWnzjCZuPLG070eKSMYwsaNexeFIcqohY74xWJy0lhBjLjwRic1fN87Q)

150. SMEDA. State of SMEs in Pakistan. (2020). Retrieved April 10, 2020, from https://smeda.org/index.php?option=com_content&view=article&id=7:state-of-smes-in-pakistan&catid=15&cfchljschltk=d8c57d3800eb0ed213b273e0fe9fd88f680527da-1586727472-0-AZBuSrYZZKd8HuW2XSAD8oSjbXhptQwdkjBOqpuZKgTqJ2EPCF8kC7qYbWFtMeYnNoVnd6gCpwwbl9rBBls8X1Pv0V6Evt5afXv87dQasW0q1X3dzMePnrMhvVv0VrQajU27ew9Gxchf17tlE5pI5twlR-RwEJfFbGRnoMqcknd6Kikyc92BgrY0pu3HaEmofuu92iFhSNVlhF4p78CA65I8XxZNyqKjsKW6EQnfp64kq948IWgVsmxksS6KMRPm5Aubw-kCzg80pobW85GT78tPXu5ON4QdoqYymGNnTTK13d4bON8XKfkjWPqCUtwI0mo50NWnzjCZuPLG070eKSMYwsaNexeFIcqohY74xWJy0lhBjLjwRic1fN87Q
151. SMEDA (2018). *Developing SME Policy in Pakistan*. Retrieved April 14, 2020, from https://www.enterprise-development.org/wp-content/uploads/SME_Issues_Paper_Pakistan.pdf
152. SME Finance Reviews. Retrieved April 11, 2020, from <https://smepakistan.net/resources/publications/>
153. *State of Economy, Annual Report 2017-18*. Chapter 7, Digitization of Services in Pakistan, State Bank of Pakistan.
154. Smith, W. K. (2014). Dynamic Decision Making: A Model of Senior Leaders Managing Strategic Paradoxes. *Academy of Management Journal*, 57(6), 1592–1623.



155. Smith, W. K., & Besharov, M. L. (2019). Bowing before Dual Gods: How Structured Flexibility Sustains Organizational Hybridity. *Administrative Science Quarterly*, 64(1), 1–44.
156. Steurer, R., Langer, M. E., Konrad, A., & Martinuzzi, A. (2005). Corporations, Stakeholders and Sustainable Development I: A Theoretical Exploration of Business–Society Relations. *Journal of Business Ethics*, 61(3), 263–281.
157. Sustainable Development Goals:.. Sustainable Development Knowledge Platform. Retrieved April 14, 2020, from <https://sustainabledevelopment.un.org/?menu=1300>
158. Sustainable Development Goals:.. Sustainable Development Knowledge Platform. Retrieved April 14, 2020, from <https://sustainabledevelopment.un.org/?menu=1300>
159. Smith, W. K., & Besharov, M. L. (2019). Bowing before Dual Gods: How Structured Flexibility Sustains Organizational Hybridity. *Administrative Science Quarterly*, 64(1), 1–44.
160. Sommer, L. (2015). Industrial revolution - industry 4.0: Are German manufacturing SMEs the first victims of this revolution? *Journal of Industrial Engineering and Management*, 8(5).
161. Statista. 2020. Internet Penetration in Asia-Pacific 2019 | Statista. [online] Available at: <<https://www.statista.com/statistics/265153/number-of-internet-users-in-the-asia-pacific-region/>> [Accessed 21 May 2020].
162. Statista. (2020). Netflix's net income from 2000 to 2019 (in million U.S dollars) [online] Available at: <https://www.statista.com/statistics/272561/netflix-net-income/>. Last Accessed: 2020.03.28.
163. Stuermer, M., Abu-Tayeh, G., & Myrach, T. (2017). Digital sustainability: basic conditions for sustainable digital artifacts and their ecosystems. *Sustain Sci* 12 p.247-262.



164. Sung, T. (2009). Introduction to “the digital economy in Asia”. *Technological Forecasting and Social Change*, 76(5), p.653.
165. Surroca, J., Tribó, J. A., & Waddock, S. (2010). Corporate responsibility and financial performance: the role of intangible resources. *Strategic Management Journal*, 31(5), 463–490.
166. The Global Payment Platform Payoneers Global Gig Economy Index, 2019. (2019). Retrieved from <https://cdn.techjuice.pk/wp-content/uploads/2019/08/Index-freelance.pdf>
167. The Prevention of Electronic Crimes Act, PECA. (2016). Retrieved from http://www.na.gov.pk/uploads/documents/1472635250_246.pdf
168. Torugsa, N. A., O'Donohue, W., & Hecker, R. (2013). Proactive CSR: An Empirical Analysis of the Role of its Economic, Social and Environmental Dimensions on the Association between Capabilities and Performance. *Journal of Business Ethics*, 115, 383–402.
169. The Prevention of Electronic Crimes Act, PECA. (2016). Retrieved from http://www.na.gov.pk/uploads/documents/1472635250_246.pdf
170. Ukko, J., Nasiri, M., Saunila, M. & Rantala, T., (2019). Sustainability strategy as a moderator in the relationship between digital business strategy and financial performance. *Journal of Cleaner Production*, 236, p.117626.
171. Pakistan Telecommunication Authority. (2019, December). Retrieved April 14, 2020, from <https://www.pta.gov.pk/en/telecom-indicators>
172. UNCTAD B2C E-commerce Index 2017. (2017). *UNCTAD Technical Notes on ICT for Development*, 9.
173. Vercueil, J. (2012). What do we learn from BRIC? Three conjectures on emerging economies. *Mondes En Développement*, 25–34.



174. Wirtenberg, J., Harmon, J., Russell, W., Fairfield, Kent. D. (2007) HR's Role in Building a Sustainable Enterprise: Insights from Some of the World's Best Companies. [Online] Available at <https://www.researchgate.net/publication/237296294>. [Accessed on 30 June 2020]
175. World Business Council for Sustainable Development, University of Cambridge Programme for Industry (2005). "Driving Success: Human Resources and Sustainable Development."
176. World Economic Forum White Paper. (2016). Digital Transformation of Industries: Logistics Industry
177. Warnasuriya, N., (2020). *Asia Pacific Post - Digital Transformation For Posts - South Asian Context*. [online] App.coop. Available at: <http://www.app.coop/information-service/app-newsflash/776-digital-transformation-for-posts-south-asian-context>.
178. World Bank Group 2029. World Bank SME Finance. [online] World Bank. Available at: <https://www.worldbank.org/en/topic/smefinance> [Accessed 14 April 2020].
179. Worldbank.org. 2020. Individuals Using the Internet (% Of Population) - Bangladesh, India | Data. [online] Available at: <https://data.worldbank.org/indicator/IT.NET.USER.ZS?locations=BD-IN> [Accessed 21 May 2020].
180. Worldometers. Pakistan Population (LIVE). Retrieved May 21, 2020, from <https://www.worldometers.info/world-population/pakistan-population/>
181. Wright, M., Filatotchev, I., Hoskisson, R. E., & Peng, M. W. (2005). Strategy research in emerging economies: Challenging the conventional wisdom. *Journal of Management Studies*, 41(1): 1–33.



182. Yin, R. K. (2014). *Case study research: design and methods*. London: Sage Publication.
183. Yuan, W., Bao, Y., & Verbeke, A. (2011). Integrating CSR Initiatives in Business: An Organizing Framework. *Journal of Business Ethics*, 101(1), 75–92.
184. Zabeen, M., Ara, H. & Sarwar, N. (2013). E-Commerce in Bangladesh: “Venit, Vidit, Vicit”. *IOSR Journal of Humanities and Social Science*, 17(5), 01–08.
185. Zhou, L., Wu, W.-P., & Luo, X. (2007). Internationalization and the performance of born-global SMEs: the mediating role of social networks. *Journal of International Business Studies*, 38(4), 673–690.
186. Zhu, K., Kraemer, K. L., & Xu, S. (2002). "A cross-country study of electronic business adoption using the technology organization-environment framework," 23rd International Conference on Information Systems, Barcelona, 337-348.
187. Ziyadin, S., & Serikbek. (2019). An Internet marketing in the sphere of higher education. *Lecture notes in network and systems*, 84, 290-297.



8 Appendix I

Questionnaire:

a	<i>What are the views of digitality on E-commerce SMEs of Bangladesh and Pakistan?</i>
1	Is your company familiar with digital tools? If yes, how much?
2	Does your company's management have a clear vision for utilizing digitality in the future?
3	Does your company's management support the utilization of digitality in your company?
4	Does digitality enhance your business? If yes, how?
5	How do you incorporate new technology, including e-technology, into services and into the delivery system and process, as appropriate?
b	<i>How e-commerce SMEs are applying sustainability strategy in their business in Bangladesh and Pakistan?</i>
6	Over the last three years, how do you assess your company in terms of integrating sustainable development principles into business operations?
7	How much is your company familiar with the term 'sustainability strategy? How do you see that in your company?
8	What major sustainability risks were recognized?
9	What business value have you seen from your sustainability strategies in your business?
10	Did you benchmark on sustainability against your competitors?



11	Does your company have stakeholders? If yes, how much your stakeholder or business partners are involved in sustainability strategies or policy making?
c	<i>What can the managers consider in the future for utilizing sustainability strategy in their digital business?</i>
12	What are the social and economic opportunities in your digitized company?
13	How did you align the sustainability strategy with the overall digital business?
14	How the manager is working for educating about sustainability strategy to employees?
15	How sustainability strategy is affecting your overall business performance?

Table 03: Questionnaire



8.1 Appendix II

Pakistani Respondents
Transcript Interview 1,
Interview duration: 37 minutes

Interview: Hello, I am a student at Linnæus university and I wanted to conduct your interview, are you available to talk now?

Respondent: Yes, I am free you can conduct my interview now.

Interview: I want to record your interview for my thesis defense therefore, if you allow can I record your interview?

Respondent: Sure, you can record my interview no issue.

Interview: Okay, thanks. if you are comfortable to share your anything regarding your professional experience or company's background?

Respondent: Yes, why not. I did my Bachelors in Computer Science from Pakistan and then I did my higher education in Masters of Information Communication Technology from La Trobe University Melbourne Australia. I was working as a front-end developer and social media expert in Pakistan for at least two years then I moved to Australia to complete my studies. Currently, I am working as a Software Engineer and I am also taking part in depositing management in my company.

Interview: Okay, so I have around 15 questions for the interview. My first question is your company familiar with digital tools? If yes, how much?

Respondent: Well, if we talk about digital tools, we see almost every business want to digitize itself and people feel more comfort in digitizing. When people see things digitally, they understand it easily, when they see pictures with audio they interact more. As far as related to our company's management, obviously we are working in a software house. Our company is basically based on digital tools because being an IT company you have to deal with different digital tools. You see, if we want to do our production, if we want to give



services or if we want to talk to our clients; when we work in the IT industry, we have international clients as well. So, to interact with our international clients we need digital tools for giving them services also. Therefore, yes definitely our company is very much familiar with digital tools.

Interview: hmm, okay. My second question is ‘does your company’s management have a clear vision for utilizing digitality in the future?’

Respondent: Well interesting question, because when we talk about a specific topic and you know your company is based on that so obviously, we focus at most utilization of digitality, we try to work more on it. Like, when we talk about our production, services or social media experts so we see how to handle our social media and also, we assess whether our production is on front-end production or back-end therefore, we use different tools which are totally digitized. In Computer Science our company’s management always try to implement new versions of digital tools, so the whole company can be familiar with the new upcoming technology, which is really important.

Interview: Alright, so my third question is ‘does your company’s management support the utilization of digitality in your company?’

Respondent: well, there is an interesting fact in the context of this question which is from the time when digital media has been entered in any companies either its IT sector, business sector or education sector since we are able to approach digital elements in our company so we make sure that each and every employee of our company should be fully familiar with the digital tools, we especially trained them to be familiar with the new digital technologies. So, they support us, they research digital technologies, they bring information about digital technologies from all over the world. For example, nowadays photo dating tools are being used which are digitally implemented tools, therefore employee’s focus is to introduce others about digital tools, new software so everyone can take more interest in digital technology.



Interview: Okay, as you earlier mentioned that your management also supports digitality so my next question is ‘does digitality enhance your business? If yes, how?’

Respondent: well I will say obviously yes for this question that digital media is enhancing our business. It’s been around at least more than two years at the moment that the value digitalization in the market is a lot. Suppose if the worth of a product is thousand then digital media has increased the value more than three thousand. When a company do business, now as companies are able to use digital tools to interact with their employees, if they are not able to come to employees physically then they are conveying their messages, they make their PowerPoint slides and they are presenting their pre-planned work process therefore in that way definitely business enhance because customer is happy and there is no barrier in communication between company and its clients. Also, our company educates clients or customers as well about how to use a digital tool or services and we tell them in future we will be here for you for further communication. So, clients are happy and management is happy and business obviously accelerates.

Interview: okay my next question is ‘how do you incorporate new technology, including e-technology, into services and into the delivery system and process, as appropriate?’

Respondent: I would say the company is totally based on e-technology at the moment. The services we are giving to our clients is totally based on e-technology. We have different sites, we have different production teams working on different e-commerce sites, e-education sites, e-shopping and e-learning sites. So, all these things educate our clients as well as our employees. Employees at individual level learn and research obviously he tries to adopt new technology as well. When you give production, you are very careful about product presentation. You need to have very high digital tools so that you can present an actual vision of the project to that customer so it’s basically based on customer satisfaction, when the customer is happy everything is



good. Also, delivery systems are also the major part of the process of e-technology.

Interview: okay, so my next question is ‘over the last three years, how do you assess your company in terms of integrating sustainable development principles into business operations?’

Respondent: one thing I want to add about sustainable development principles, even when I was working back in Pakistan before getting my higher education from Australia companies were not that much familiar with sustainable development even most renowned companies were not familiar with this term ‘sustainable development.’ But obviously now within the last three years my company has improved a lot in it. When you talk about clients, I am using client words in the context that our company is actually based on clients. So, all the information you get on the base of your client. In last three years, company has improved a lot in sustainable development because when you introduced principles you also educate your clients and employees about sustainable development that how to maintain sustainability in your product, how to maintain suitability in risk-assessment, how to maintain the sustainability in the relations with your customers so in that way our company improved a lot.

Interview: okay my next question is ‘how did you align the sustainability strategy with the overall digital business?’

Respondent: since we are familiar with sustainability development or strategy terms and when we complied this term with our digital media or digital tools so our company is making good progress because everything is maintained now. We know how much we have a strong relationship with our customer or if we want to make a long-term relationship with our customer so what benefits we will give to our customer. We know on which point we will help our customer and on which point we will take help from our customers and sustainability strategy is actually helpful and, in my company, it is making good progress at the moment.



Interview: okay next question is ‘what major sustainability risks were recognized?’

Respondents: Yes, interesting question again because when you talk about risk analysis so it is always there. Nothing is 100% good and nothing is 100% bad, whenever you are implementing something there are a lot of things that will make risk towards your company. In that way, when we talk about sustainability risk and when we make long-term plans with our customers or even with different companies we first build their trust on us until unless somebody is happy with you. If we are working long-term with someone it’s not 100% safe, but you can actually deliver 100% and your client will be always happy with you. So, in this context, when you work long-term and you fail to follow your sustainability strategy then it can have a negative impact on your client, company, and you get bad reviews. These are the risks. I also want add here something that when you talk about annual turnover, in that way sustainability risk increase a lot let suppose you are not able to maintain your sustainability strategy at least for month so it will decrease a lot in your turnover then your company face loss a lot, these are the risks we identified while implementing sustainability strategy.

Interview: okay, next question is ‘did you identify any social or natural resources hurdles while implementing sustainability strategy?’

Respondent: as I already told you about Pakistan is not that much familiar about sustainability strategy or sustainable development. So, in that way our clients were even giving us a hard time they were not able to understand. They were not getting in that way how helpful it can be both for customers and the company. When you make sustainability strategy for your business or for your project it actually enhances your business. In the beginning we had bad reviews and we had language barriers with our clients as well as our competitors because when you launch something new in the market.

Interview: as you mentioned that Pakistan is not that much familiar with sustainability strategy but as companies are trying to educate clients so in that



way how much your company is familiar with the term ‘sustainability strategy? How do you see that in your company?

Respondent: Well, I would like to say at the moment things are very good and they are stable according to sustainability development and sustainability strategy. The reason is our company educated our employees a lot about this. Our company offered us a course about sustainability, sustainability strategy and sustainable development which was a part of our course in which every employee has been provided by detailed information through questions and comments. So, when our clients talk about sustainability, we know that, but still there are a lot of firms in Pakistan who don’t know about sustainability strategy. But our R&D team is very effective and is working very hard to maintain the standards of sustainability and sustainability strategy as well.

Interview: okay, another question is ‘how did you align the sustainability strategy with overall digital business?

Respondent: In the beginning when we started implementing sustainability strategy, it was a bit hard to merge sustainability strategy with our every project and complete process. Though sustainability strategy is actually giving us good results but in merging both together we first educated our employees, then we merged sustainability strategy blocks or steps, as every business has some blocks you cannot change everything at the same time. It was not possible to align or change full business instantly, so we tried to align in blocks or parts. We applied our strategies in our projects, so sometimes we had failure as well, as you can't get good results every time in business. In Pakistan companies have started working through sustainability strategy but still we need a lot of research on it so companies can use those strategies and can do their projects fast and efficiently. Like you are doing research on this topic maybe you can help our company through research papers hopefully. If we talk about America, UK, Australia, Sweden and other European countries they all are educated because they have standards for their businesses, but we need to be aware of our country and our community especially for the businesses.



Although things are going good at the moment, with the new management and educated employees different companies are giving awareness as well.

Interview: my next question is ‘what are the social and economic opportunities in your digitized company?’

Respondent: Well as I earlier mentioned that in the beginning, we had a very tough time to implement sustainability strategy, few employees left our company because in the beginning we didn’t make that much profit. But we needed to enhance our business internationally as well, we wanted international employees as well so in that case working by sustainability strategy was very important for us. So, we started giving awareness to other IT firms, we set this for other companies. So, they can also enhance their digital business. We did a lot of research on it as well, and spent our money on educating employees as well. Now we are gaining benefit as well by giving awareness to other small IT firms.

Interview: so, if I haven't misunderstood, did you say that your company is educating other firms through training and development courses or seminars?

Respondent: yes exactly, we are offering seminars about sustainability to other small IT firms who are at their initial stage. This is a big achievement for our firm. Market is itself very dangerous because when someone enters the business market, they have to know who is our competitor or what the market actually requires from them. So, by working sustainability strategy we earned a lot of strong market image, as well as we have a really strong social media image as well.

Interview: my next question is what business value have you seen from your sustainability strategies in your business?

Respondent: after implementing sustainability strategies, our business value increased. We earned a lot of assets, and here I mean asset is our ‘client.’ When you talk about successful business, you should have strong sustainable strategies, good terminologies and different policies and if you have all these things then obviously your business can enhance significantly. Our company



is a client-based company and after good strategies our clients have been increased and our company's economy has been nourished.

Interview: you talked earlier about international customers, so with domestic customers do you have international customers as well?

Respondent: Yes, that's what I was talking about. When we were not aware of this term sustainability and sustainability strategy at that time, we had a boundary that we are not able to deal with international clients or we are not able to interact with businessmen in the international market. But after working through sustainability strategy, we learned a lot we earned as well and now we have something really good on our company's profile. We progressed a lot and we have entered the huge international market as well.

Interview: my next question is 'did you benchmark on sustainability against your competitors?'

Respondent: yes, we made a benchmark or set a trademark of our company for our competitors. So actually, we made sustainability strategy as our company's standard for market competition.

Interview: my next question is what and how do you set improvement goals in this area?

Respondent: when you talk about the IT sector, every second minute you get new stuff in the market, there is too much variety in when you belong to the IT sector. After working according to our sustainability strategies our goals are very high now. In the upcoming future, we have already decided to send some employees for training courses so they can educate others employees for best outcomes. Once they will get that learning from international level, we can implement that in our own company which we really need at the moment. We also want to expand our business more so our new company's policies and strategies are really helpful and progressive in the long-term. Our R&D team is continuously working on research which is very good for our business.

Interview: alright, the next question is 'how the manager is working for educating about sustainability strategy to employees?'



Respondent: as we all know education never ends. We have daily basis meetings with our manager on how things are going actually and how things should go. Our manager is trying to educate employees through meetings, weekly and fortnightly workshops. Manager himself is getting information as well and he is able to transfer that knowledge to other junior employees. So, through these weekly and fortnightly workshops by the decision of our higher management our company is doing really good.

Interview: do your company have stakeholders? If yes, how much your stakeholder or business partners are involved in sustainability strategies or policy making?

Respondent: yes, our company has stakeholders and they are very much involved in the strategy making process. We have regular basis meetings with our stakeholders. They are always fully aware what's going on or what change has been made in company's policy, they know very well. They also know sustainability strategy is not only good for a company but it will be good for their investment in long-term.

Interview: okay my last question is 'how sustainability strategy is affecting your overall business performance?'

Respondent: since we have started working through sustainability strategy things are going very well, our business performance has been improved, learned a lot and the reason is everything is well-organized now. All our business elements including finance, management, production, output, survey conduct process is following sustainability strategy so in that way our long-term has become very smooth, performance of the company is enhancing, our employees are satisfied as well because they are learning something new which will help them in future. It will help us to grow internationally.

Interview: thank you so much for your time. It's nice to talk to you.

Respondent: welcome, and best of luck.

Transcript Interview 2



Interview Duration 27 minutes

Interview: Hello, how are you?

Respondent: Hi, I am good and you?

Interview: As we talked earlier about the interview, so if you are not busy can I conduct your interview now?

Respondent: yes sure, you can.

Interview: okay, good. As I already told you that I am student Linnaeus University and I want to conduct your interview for my thesis so for that I need to record you interview. If you give me permission to record your interview, can I record your interview?

Respondent: Yes, you can record my interview. No issues.

Interview: hmm, nice. So, I will proceed from question number one which is 'your company's management is familiar with digital tools? If yes, how much?'

Respondent: yes, our company is familiar with digital tools. Because we currently have a lot of meetings going on to grasp international clients. Also, our senior management travels internationally to attract clients from different markets, so they come across with different digital tools. Our management shares international experience about the market, client's requirements, and digital tools with other employees. We always discuss the present condition and future goals with our employees and senior management. We learn how to improve on our digitalization through meetings, international experience and senior management vision. We always try to cope up with new digital tools to balance our work.

Interview: okay, my next question is 'does your company's management have a clear vision for utilizing digitality in the future?'

Respondent: yes, the vision of our management is clear towards digitality though it's a bit difficult. In the same building instead of using phones and telephone extensions we use various software to contact each other. In that



way we think about telephone cost as well, also it gives a digitized trend in the company. Our CEO wants to improve the performance of the company and for that we implement digitality on different processes.

Interview: okay, my 3rd question is ‘does your company’s management support the utilization of digitality in your company?’

Respondent: our company is supportive towards digitality in the company, whenever our senior management or manager give us guidelines or introduce new digital tools or software in our company management take too much ineptest to learn that. We as a team research on every new digital tool or software which we use in our company, after meeting and discussion we implement that. But with the implementation, whole team research and we monitor the cost as well. As you know, in every business cost monitoring is a necessary element so everyone comes with their suggestions for different ideas. Before finalizing the whole structure, we balance cost and return as well. We discuss that either by implementing or using this tool or software will we gain long-term benefit or not and mostly we will compromise on cost if the specific digitized tool will give us long-term benefit. Even if we outscore software or digitalized suppliers, then we contact and match the rates of different suppliers and we pick the best one which is beneficial for us.

Interview: does digitality enhance your business? If yes, how?

Respondent: whatever services we are providing, suppose when we make software for hospital or another sector then we make according to their requirement. Suppose if we are making a software for hospitals then different hospitals can use it but still every business has its own requirements and demands, so after making some amendments the same software can be utilized in different hospitals. We make software for different sectors and all software are obviously digital-based. So, our business is digitally enhanced by this. We don't need to work every time for software. This is beneficial for us when we use the software second time it does not take too much time for small changes.



Interview: alright, my next question is ‘how do you incorporate new technology, including e-technology into services and into delivery systems and processes, as appropriate?’

Respondent: with the time and after looking at improved performance of our company, we have made digitalization as a part of our business. Like, we have started implementing technology from small things. Here I will give you a small example, we have digitized attendance systems instead of manual attendance. Two months ago, we had a problem in that machine. It was so difficult to calculate the attendance of every employee manually, because that machine recorded hours and shifts of every employee. Our HR team recorded attendance or offs of every employee manually, they found it very difficult. Sometimes our IT department is too busy to meet the client's request, and they can't divert attention from their projects. It took a few days to fix the problem because the IT department was overloaded with work and different projects. So, at that time, it was so difficult to work with digitized tools and it's just a small example. This example was based on micro level and our whole business depends on digitalization and it's a long-term benefit for us. Through this change in software according to specific sector demands, we enhance our features of software and business elements.

Interview: over the last three years, how do you assess your company in terms of integrating sustainable development principles into business operations?

Respondents: our employees came from different backgrounds, like some came from small areas to study here and they got jobs, some are already living in this city. If I talk about sustainable development principles, then before three years we were not working on the sustainable development principles. But with the passage of time, we are working on these strategies and principles. We are bringing change in our company's policies and making new rules and strategies for our company's betterment in the long-run. Whenever we hire new employees, we provide them with an online employee handbook regarding company's policies so employees can also be aware fully about what



we want to promote and follow sustainable development principles in our business. We know that it will give our company and employees long-term benefit in future.

Interview: okay, another question is ‘how much is your company familiar with the term sustainability strategy?’

Respondent: it's not easy to figure it out. I can say 50-50. Our 50% management is aware and working for that but still we are trying to educate every employee. As this is a new term, it's a bit challenging for us to educate our employees and staff and work through it. But we are working on it, we are researching it more. But still it's not a known term, it's very new and fresh. When we started working on it, first we educated ourselves, our senior management did research on it. After that we organized some daily basis meetings on it, we discussed how we will work and how we will implement these strategies that can be fruitful for our business. We discussed what will be benefit for our country, what's for the client so after looking at all factors we are progressing slowly on sustainability strategy process. it will take time to educate others also we will have to take too many initiatives to aware others about this.

Interview: alright, my next question ‘is there any stakeholder or business partner involved in your company's business? If yes, how much are they involved in making sustainability strategy for a company?’

Respondent: presently there are no such stakeholders and business partners involved in our business. But other parties like suppliers and advisors are very much involved in the strategy making process. Whenever we have board meetings, we always sit together. We talk about sustainability strategy and how we can launch this as our part of business. In our offices, in fact, we have posted signs everywhere so our employees and others parties can understand the mandatory sustainability and sustainability strategy.

Interview: what major sustainability risks were recognized?



Respondents: since this term has been introduced already, so, our competitors have started working on it. But we are also working for it, we are promoting sustainability and sustainability strategy outside the company as well. We realized that we have some major platforms through which we can attract people rapidly like LinkedIn and company's website. Recently, one of our competitors posted pictures of using disposable and easily recyclable coffee cups instead of using plastic in the office. That was the message to show how they are working for sustainability. Also, they arranged seminars to spread awareness about the sustainable environment and sustainability is business. Then they arranged inside employee meetings to spread the information, they posted pictures on their company's website and company's profile pages on different social media platforms as well, therefore, this is a kind of risk for us. They are targeting different business parties which are quite competitive. In this way, if we will not take the same initiatives like some of our competitors, then it will be difficult for us to expand. The main drawback of this, the potential client will never be attracted to us. Also, if we want higher educated and fully-qualified employees for our company then we will be unable to attract them as every highly educated employee wants recognition and high skills from his workplace. Nowadays, highly educated employees' visits company's website and everything's before going for an interview. Especially, freshly graduated students, they check the company's background that either company is working through sustainability strategy, and how much we are contributing to this. So, these are some major risks from a competitor's perspective. But we try to make sure that we are contributing like our competitors and how strong our strategy is that can work in the long-run for our company. We also don't want a negative image for our company, we try to work positively for our customers. We believe that sustainability strategy is helping us to perform good though it's a bit challenging, but still every business has to face some risks and it's a fact.



Interview: Okay, next question I would like to ask is ‘how did you align the sustainability strategy with overall digital business?’

Respondent: as I told you earlier, but I will still tell you now in detail that whenever we need to update our policies according to situation and market regulations, we make amendments in our strategies and policies with the discussion between senior and middle management. We don’t make policies in one day, we discuss with our departments, especially our HR department. Because of market requirements, the HR department makes policies and strategies that we discuss with the whole management staff. After approval and changes in those policies from senior management and discussion with the whole management staff, we eventually decide. Whole HR team is fully involved in sustainability strategies and the company's new strategy, as it is a very difficult task. Before finalizing strategies, we always think about customers. All strategies are related to our customer dealing strategy as well. In our all strategies, sustainability is the part. We make sustainability strategies which are productive for our overall business. We spread awareness to our employees to customers about sustainability strategies. In this way both our new employees and customers can be aware that we are moving towards this trend.

Interview: okay, my next question is ‘what are the social and economic opportunities in your company?’

Respondents: yes, we are getting social and economic opportunities, we are getting high numbers of new clients. Our clients know that we are not focusing on one side, we are focusing on every side. We are working for sustainable business which is healthy for our business, for our clients and for the environment as well. We are getting more opportunities presently and we are very hopeful for future opportunities, as we are working for the environment as well. We also visit different universities and educational institutes to give awareness to young graduates about sustainable environment and sustainable business. Our focus behind visiting universities and educational institutes is to



give opportunities to the best candidates, it's kind of a mutual benefit we get skillful highly qualified candidates. Young graduate gets a suitable workplace where he can learn and improve his practical skills by our training and development courses and workshops. First, we offer internship programs to fresh graduates and after monitoring their performance, we give them training for their jobs. By visiting different universities and educational institutes, we get new ideas from fresh students as well, and we attract them towards our company. In universities and educational institutes, we give proper seminars on sustainability, sustainable business and digitalization. We proceed with both elements because both sustainable business and digitalization are essential for business, and obviously strategies are a part of this whole business procedure.

Interview: okay, my next question is 'what business value have you seen from your sustainability strategies in your business?'

Respondents: when we talk about business value, then I will say we were successful in the past. We approached international clients as well, and then we won those international projects as well. For the future, we can see the prominent changes that after implementing sustainability strategies our business value has been improved, and we believe that we will get more benefits, more international clients if we will make sustainable strategies for our business. It gives us long-term benefits, if we develop and regulate sustainability strategies from micro to macro level in our business, we will get positive outcomes. Due to coronavirus lockdown, everything is closed in Pakistan but as our business is fully digitalized so we work at home. We are not facing difficulty because we do business over the web. The timings of our work are the same, our work and all business processes are the same like before because of digitalization. We are currently focusing on clients from UEA, we are having discussion with them. We are very hopeful about clients from UAE, there is a possibility of partnership or more long-term projects from UAE clients. We see international partnerships and potential stakeholders for our



business as well. So international clients will add value in our business and it depends on how strongly you stick to your sustainability strategies.

Interview: alright, fine. My next question is ‘did you benchmark on sustainability against your competitors?’

Respondents: we definitely always keep an eye on our competitors, what they are bringing in market, we always focus. We participate in different business expos and we visit different universities and institutions to attract clients and new employees. In fact, nowadays there are a large number of students who are coming back after getting a higher degree from the UK and other different countries. Those students always come back with international exposure, international learning and knowledge so we are using a lot of these tactics to attract different people who are beneficial for our business. Especially the students who are coming from abroad after completing their education, we give them a chance. One thing we noticed is that our clients really like the projects that are done by international students. This is a plus point for us because they always bring innovation and uniqueness in their work. These kinds of things are placing benchmarks for our competitors. Our clients attract from our international students’ portfolios, strong management team, various seminars and workshops, regarding sustainability, customer dealing strategy and international successful projects. These all things give us a lot of benefits to compete with our competitors.

Interview: okay, another question is ‘how the manager is working for educating about sustainability strategy to employees?’

Respondents: on every Monday we have a staff meeting and Monday is the day for meeting because everyone comes with fresh mind after weekends. Our manager always mails all of us about meeting and the topic or problem we will be discussing in meeting. So, everyone comes with different ideas and solutions to deal with the problems. We discuss our short-term goals, our current business activities and performance. In meetings our manager always encourages other employees to bring different ideas by asking different



questions related to specific issues. Interestingly, because of these meetings sometimes we discover new opportunities or we find other hidden obstacles in our project. So, we as a team research on that and then next week we further discuss. Nowadays, our focus is to research sustainability and sustainability strategy, our management is trying to work on it. Our senior management and manager encourage us to work on sustainability in business and give us different projects. They educate us on sustainable environments as well, like no use of plastic glass, spoons, cups and bags etc.

Interview: okay, next question is ‘what and how do you set improvement goals in this area?’

Respondent: we set improvement goals and then we work on it. But still we remind our employees to follow the strategies, and tell them this is the goal that should be achieved. We make strategies and then we make sure that our employees are following them. We tell our employees that if we will work through these strategies then we can get our desired outcome otherwise the whole structure will be messed up. All these things are difficult though, but if we follow these strategies then we meet our goals.

Interview: okay, my last question is ‘how sustainability strategy is affecting your overall business performance?’

Respondent: due to sustainability strategy performance of our business is going well. We see stakeholders, investors and other international clients. In the past we were working for just one or two countries but now we have more international clients from different zones. We are also making more international contacts; they want to work with us. We see a lot of opportunities and positive impact on our business in future. We know by focusing on sustainability strategy we will get more positive outcomes in the upcoming future.

Interview: okay, thank you so much for your time. Have a good day.

Respondent: thank you. Goodbye.

Interview: Goodbye.



Transcript Interview 3
Interview Duration 31 minutes

Interview: hello, I am Rida Khalid, student at Linnæus University. I discussed with you earlier about conducting your interview. Are you available to talk now?

Respondent: yes, sure.

Interview: okay thanks. So, I want to record your interview for my thesis. I have to give recordings to my university and supervisor. If you permit me, can I record your interview?

Respondent: yes, definitely you can. Go ahead.

Interview: alright, thanks. So, I am going to start my interview now and my first question is your company's management familiar with digital tools?

Respondent: as you see we belong to the IT sector, so working with different digital tools is the first element of IT business. We can't move further without working with digital tools. Everyone should have full detailed knowledge about digital tools which you are using in the company especially. As an employee you have to know how much resources you have and where you are lacking. If you are lacking resources, you have to inform HR about a deficiency of resources in your department. Secondly as you see, due to Coronavirus lockdown we can't go to offices so we arrange e-meetings on zoom. Our company has given us permission to work at home, the company has given VPN to all the employees so they can work at home. Therefore, it's like an office environment when you sit and have online meetings and complete your daily's tasks.

Interview: Okay, my next question is 'does your company's management have a clear vision for utilizing digitality in the future?

Respondent: Our company first evaluated but our management has a clear vision about digitalization. They know what they should do and how they will



move. Our employees know the services of our company should be delivered on time. Because the reason is if we provide better services and support to our clients, therefore, clients will give back a good response. As you know this is the digital era and if you give them online-services then it would be more convenient. If I talk about my company then we deal with EMR and EHR. These both are basically digitized products and we give them online services as well. As you know, in Pakistan the healthcare industry needs so many improvements, so if you install these digitized tools in the hospitals and clients can use those tools. You can see that nowadays doctors are monitoring patients online so they don't need to visit clinics again and again. They are providing them possible medication at home. And basically, we deal with these digitized products that you can use at home and its online service.

Interview: My next question is 'does your company's management support the utilization of digitality in your company?'

Respondent: In digitality-context, our company recently launched HR-portals which we can use at home when an employee cannot come to work due to some problem. Then they can complete their routine task at home without delaying it. So, it adds employees working hours automatically. The HR department monitors their performance and hours completely. Whatever our employer requests at the same time it goes to the HR department and our company's manager as well. After looking at the employee's request, the manager approves. Then he further sends approval to the HR department as well. They mark your online attendance. And nowadays, due to COVID-19, everyone is doing work at home so whenever you log in from your portal and complete your task it automatically marks your attendance. This software we were using before this pandemic disease.

Interview: My next question is 'does digitality enhance your business? If yes, how?'

Respondent: In Pakistan electricity is a major problem and it's very difficult to deal with it, but our company provided us with laptops and portable wireless



devices. We can use and we can work without worrying about electricity or any other delay. Wherever you are you can complete your work and you will not face any obstacle. We just log in from our company's profile and we complete our task and we don't take that much burden. And when you're relaxed you can give a performance. Similarly, if you are providing online services to your client, wherever you are, your client will also be satisfied from your services. They are getting prompt services. They don't need to run for help, they just call us and on one call we fix their issues.

Interview: My next question is 'How do you incorporate new technology, including e-technology into services and delivery-systems and processes as appropriate?'

Respondent: As I mentioned in a previous question that every employee has his own laptop, internet device and VPN from which you have everything regarding your office work. So, it's first of all cost-effective and efficient. It's a kind of investment and we are getting long term benefit from this because we are getting assets by investing in our employees. Employees are our assets and if we invest something in them, in future we will get fruitful outcomes.

Interview: My next question is 'Over the last three years, how do you assess your company in terms of integrating sustainable development principles into business operations?'

Respondent: If I talk about sustainability then our company is working on resources. We are working for our country, for students and for the environment as well. We offer different courses and we tell our employers that it will be a paid course, and then they get a bonus from this. Our management is also working for poverty, every employee gives a small amount of money from their salary to the company's account. That money, the company utilizes more than money for charitable purposes. Our company also gives funds to different institutions. Also, first our company helps our lower management like peon, security-guard or kitchen-helper. Our company's directors are fully involved and they do a lot of funding. They are also running NGOs for helping



people in need. Every employee in our company, they contribute for this purpose. Also, our company arranged a free lunch for the whole staff where all the employees from senior to lower management, they all eat the same food. In that way we sit together and discuss, it improves employee interaction. In environmental context we use the least amount of paper. Our company is working through paperless policy. When it's too much necessary then we print, otherwise we work over the web. If we use paper then we discard in a proper way through discard-machines so that it can be used again. And in our company, we don't use plastic, we use one-time crockery. In our offices UPS and solar energy is installed, we use them to save electricity. In that way we control electricity as well. It is also cost-effective, and also it doesn't affect our business routine. We have a one-hour break as well, for relaxation. Our company is also thinking about employee's mental health.

Interview: My next question is 'How much is your management familiar with the term sustainability strategy?'

Respondent: As you know, there are few companies that are working on sustainability. This term is new but our company is also one of those who are working through sustainability strategy. We try to implement these strategies in our business. We are paying attention to our employees, business and clients. It automatically affects our employee's performance; they want to give their best performance. They improve their work, either its inside company services or client services. So, sustainability strategy is connected to overall business, and our employers know that. We are trying to educate them more and we are hoping for good outcomes.

Interview: My next question is 'How much are your stakeholders involved in your business when you make any new policy or strategy for your business?'

Respondent: Our company has inhouse stakeholders and they are very much active in decision-making. They are fully involved in making policies. Our senior management is involved in meetings. We have daily basis meetings. Every department has its own meetings and then after one or two weeks we



have a whole company staff meeting as well. We have stakeholder meetings as well with our managers from all the departments including our senior management. Nowadays we are having zoom-meetings, so our directors are involved in our meetings, our managers' report our performance to our directors and all the employers attend those meetings. All the employers come with different questions, suggestions and issues. They discuss openly, it helps a lot to improve employers' work performance. "

Interview: My next question is 'What major sustainability risks were recognized?'

Respondent: Yes, we have some risk in our digital business while implementing sustainability strategy like resources. You have to be resource-friendly to compete with competitors in this rapidly changing technological trend. Second, our competitors, it can be domestic or it can be international. This is a kind of drawback, if you don't have too much resources to fight with your competitors then your company suffers. Every company tries to attract its employers and maintain its performance but it cannot be fulfilled without sustainable policies. Your company needs strong policies and powerful sustainability strategies that can assist you to work with your rivals. Sometimes employers move to other companies if they get better salary packages or rewards from other companies, so it's a bit challenging to keep them. If we invest in our employees then employees will be sincere with us. Another risk is, as you see sometimes in Pakistan, we face internet problems as well. In that context we were facing difficulty to work in time, but now as we have our own portable devices, we don't face this problem anymore.

Interview: My next question is 'How did you align the sustainability strategy with overall digital business?'

Respondent: While working in digital business you have to keep an eye on risk management and sustainability as well. As I already mentioned about risk, we have some risks as well. Like our products or services that we are offering to clients, those should be fully matured and eligible for the market. It depends



on your services that after using your services your client should be satisfied that he will use your service in future as well. Clients say that we can pay but we want the best services. Client is ready to pay if you facilitate them with good services. As in this digitalized era, your client wants instant service. Also, your clients need proper guidelines, support, about their services. Our customer service department gives them full support about their queries. We work on their suggestions and complaints, so that we can improve our services. Our main clients are doctors and nurses and we first train them how to use these tools and services, we train them through seminars and we work on their complaints if they have any.

Interview: My next question is ‘What are the social and economic opportunities in your company?’

Respondent: In this context I would like to say that our management and senior management participate in our projects. They attend meetings, they visit different countries to get a broad vision. They learn about new technologies from international travelling, especially when you belong to the health sector then you need up to date information. By attending international meetings, they learn more about improvements in the medical sector. It enhances our business performance. So, we have to focus on everything, if we work on our products and services improvements then you can get good results. You have to forecast at least next 10 to 15 years if you want to work productively. We have a proper R&D department to work on these things.

Interview: My next question is ‘What business value have you seen from your sustainability strategy in your business?’

Respondent: After implementing sustainability strategy we have seen a number of new clients because clients are satisfied with our services and if your one client is happy, they recommend your services to other clients, especially if you work with highly educated professionals like doctors and nurses. So, if you get more employers by recommendations of others than you have to work to maintain good performances. We give training to our every



new client once they know how to operate, then they can use it on their own. But still we are always available for our customer assistance. We are working continuously to improve our services. Our R&D department is fully involved whenever we get any suggestion, then we always consider and work for it. Our stakeholders and directors participate in our every new project to make sure that everything is going on track.

Interview: My next question is ‘Did you benchmark on sustainability against your competitors’

Respondent: Most importantly we worked on our products and services, this is how we can attract new clients. Our products are fully matured and acceptable in the market. Because we are continuously improving our products and services. Our services can be used at any digital media like tabs, android, MacBook’s and phones. Clients can install our application wherever they want and it will work properly. They can use our tools and services anywhere they want, and even we involve telecommunication services in our applications so doctors can talk to the client online or via phone. Doctor can provide treatment; he can diagnose his patients online whatever symptoms the client tells. Patients don’t need to visit hospitals. So, there are some business secrets that you can’t reveal. Companies cannot reveal their inside business strategies. Now competitors always keep an eye on each other, what they are offering. If someone is offering new service then competitors always track. Similarly, we do the same thing, we track our competitors' services and we figure out what they are offering and what we have to offer.

Interview: My next question is ‘How the manager is working to educate about sustainability strategies?’

Respondent: Like our competitors nowadays, they are attracting young fresh graduates and in the same way we hire interneers and we provide them paid internships. In this way they learn and there are small projects in our company that because of overloaded work we sometimes don’t complete them. Then we hire these interneers, we give them these small projects, it helps them to learn



workplace skills and it helps us as well to complete our small projects. One senior or middle management employee supervises them and monitors their performance, it can save us time. Other than this we also arrange training and development workshops for our employees as our company is totally digitalized and we work in the health sector so it is mandatory for us to learn new skills. We have weekly basis meetings within the same departments and after every two weeks we have whole staff meetings with our director and stakeholders. Also, if employees want to do any short courses that are beneficial for our company and it's cost friendly then our company bears 50% expense of that course in which an employee is interested. We give the financial assistance and time to complete the short course after making a work agreement between the company and that employee. It becomes a company asset and it gives us long term benefit and we already did this.

Interview: My next question is 'What and how do you set improvement goals in this area?'

Respondent: Our major goal is to improve our services and products, secondly, we are working to introduce more services and products. Also, we are working on our employee's performance and their betterment as well. Our employees are our resources, that is why we are investing a lot in them. Because we want their best performance, that's the motive behind investing in them. If companies take care of their employees then they always give their best performance. This is beneficial for our company.

Interview: This is my last question 'How sustainability strategy is affecting your overall business performance?'

Respondent: If we look at the outcome of our business, after following sustainability strategies then obviously the most prominent positive change is high number of clients and secondly our services and products are so mature that we are highly recognized in our area because we are working through sustainability strategies. We are working for our employees, we are working better for them, and that is why they give us back their best performance in



return. Also, we are working for our prompt services, because if you are connected to the IT sector then how fast you are, that is your competitive advantage. Obviously, you clients want instant services in the IT sector, so if you give them instant and bug-free services then your clients will be highly satisfied and he will spend his money on your services. Lastly, if you are offering instant services to affordable prices and your products and services are mature then your clients will stay loyal with you and he will provide you further clients in future. So, in future your services work as a referral base and it becomes profitable for your business.

Interview: Okay, that's all from my side. And thank you so much for your time, it was nice talking to you.

Respondent: Okay. Good bye

Interview: Good bye.

Bangladeshi Respondents

Interviewee 04:

Duration: 23.17 Minutes

Interviewer: Assalamu Alaikum

Respondent: Walaikum Assalam, How are you?

Interviewer: Ahmlahulillah. Again may be disturbing you to take the interview.

Respondent: How about your thesis? No no! it's alright as you know I am busy all the time.

Interview: thesis is going well. Today I called you again to clarify something. Therefore, I want to take another new interview.



Respondent: Aha. You know as I said, always busy, but no problem you can ask.

Interviewer: I know. I won't take too much time. just 20-30 minutes.

Interviewer: Is your company familiar with digital tools? If yes, how much?

Respondents: Yes of course you know the time and situation! Without utilizing digital tools, we cannot do anything during this globalization era. It is difficult to reach the customer. So most of the meets we organize by skype, we use whatsapp. We focus on IT background based employees for our companies.

Interviewer: Does your company's management have a clear vision for utilizing digitality in the future?

Respondents: From the company's perspective, our management has a clear vision and goal for digital tools. By utilizing digital tools we are crossing our border and reaching the customers. Therefore, we have a clear vision of our digital tools utilization for the future. We are planning more and more.

Interviewer: Are you only taking IT background employees for your company?

Respondent: you know, IT background has in- depth knowledge at their business. Besides, we are taking employees from different backgrounds but they are not working in our IT department. they are working in the middle because you know now almost everyone has the idea to use the internet. It is not a big problem for the educated person. We focus on IT background employees so they can manage and adapt quickly.

Interviewer: Does your company's management support the utilization of digitality in your company?



Respondents: Our business is based on the digital platform. Our management knows without it we can't move forward and this is why I would say we support the right utilization of digitality in our company.

Interviewer: Does digitality enhance your business? If yes, how?

Respondents: The way right now we are working, we realized we can't move forward without digitalization. We did before manual but now time changed! We won't be able to reach the maximum customer without this. Of course now we are getting benefit from it.

Interviewer: How do you incorporate new technology, including e-technology, into services and into the delivery system and process, as appropriate?

Respondents: No no we are not doing it manually. As we are focusing on e-commerce business, we are doing it digitally. If you consider the vendor, we contact them by email and telephone. Even the customers order from the website which can be called as digital activities. Only the delivery system is physically. But to be honest, we are facing some problems due to lock down as we are not getting the product from the suppliers and cannot deliver it to customers.

Interviewer: Over the last three years, how do you assess your company in terms of integrating sustainable development principles into business operations?

Respondents: Over the past three years, I would say it's in a growing stage. The overall situation is not bad and as you know we want to save customers time that they can buy from a physical store but they can order online from us and get the right product. The market share is also increasing. And also we have some unique products that we collect from abroad. And deliver it to the



customers. In different sectors we need new people and we are recruiting! Therefore it is creating employment in our country.

We also train the employees so they are having their own skills development and the company is getting bigger. Employees are also contributing so it's good for them as well as company. I would say it's a sustainable way for them.

Interviewer: How much is your company familiar with the term 'sustainability strategy? How do you see that in your company?

Respondents: As a company, I would say it's difficult to follow considering the culture and society. But in future we can do it fully. Now we are focusing on human resources. Especially for our employees for their satisfaction. But overall, we are not following it.

Interviewer: How the manager is working to educate about sustainability strategy for employees?

Respondents: I would say, it comes through two stages. When we recruit them, we check their background as I said before. We arrange training and workshops for them. Secondly, when they start working, by staying in our environment, they learn by themselves.

Interviewer: How long is the training period?

Respondent: It depends 1 to 3 months.

Interviewer: Does your company have stakeholders? If yes, how much your stakeholder or business partners are involved in sustainability strategies or policy making?

Respondents: Many of our vendors are our stakeholders. We are using their brand value at their business. Whenever we want to implement any new policy or sustainable strategy, we arrange meetings. They give their valuable



feedback. Of course they have rights to share their opinion. Without any discussion, we cannot make any decision. As we are using their brand value, we discuss with the vendors who are associated, then we make new policy.

Interviewer: What major sustainability risks were recognized?

I would say the risk is cancelling from the customer. Another risk is from the Supply Chain which we face the delay of getting the product from rural areas. These two are major challenges and risk what I realized.

Interviewer: How did you align the sustainability strategy with the overall digital business?

Respondents: When we recruit an employee, we make sure that the employee can stay here longer and build their career at our company. So we provide different facilities to them.

Interviewer: what kind of facilities?

Respondents: for example, you know there is a lockdown in Bangladesh. We are making risk insurance for them. Even when we arrange training for them, during the training period they get payment for him. Sometimes, our company sends its employees abroad for better training.

Interviewer: What are the social and economic opportunities in your digitized company?

Respondents: As I think, the customers or the number of customers that we have, they are also part of our society. As they are ordering from us, keeping trust on us, we are growing. Therefore, we have some responsibility to them. Now during COVID-19, we are donating food and clothes to the homeless and poor people.



Interviewer: What business value have you seen from your sustainability strategies in your business?

Respondent: Sorry?

Interviewer: What business value have you seen from your sustainability strategies in your business?

Respondents: As we want to save customer's time by using our digital platform. As I think time is money and we want to satisfy customers by saving time and providing quality products to them. Our main motto is to save time by providing product and satisfied by quality product.

Interviewer: Did you benchmark on sustainability against your competitors?

Respondents: It's difficult to say. I told you earlier that we cannot apply it overall but we are focusing on human resource only for our employees. Environmental and social responsibilities will be taken in future. Overall I would say the environmental and social activities that we are doing now are not up to the mark.

Interviewer: How sustainability strategy is affecting your overall business performance?

Respondents: of course, I would say we are getting benefitted in our overall business. Otherwise the employees won't think of themselves as a part of the company and also same for the stakeholders. Now, as we are helping and investing them for skills development, financial stability and career development. As a result we are getting benefitted and also will be in future.

Interviewer: That's all from me and I have to submit it next week and hope I can send the paper to you very soon. Thank you so much.

Respondents: Good bye.



Interviewee 5

Duration: 21.12 minutes

Interviewer: Hello

Respondents: Hello

Interviewer: Maam, How are you doing?

Respondents: I am good, How about You?

Interview: It is going perfect and I have texted you for a telephone interview. Do you have time now?.

Respondents: Oh yes. I did check the text message. What do you want to talk about?

Interviewer: you know I am going to submit my thesis and the thesis topic is Smart world! Working through sustainability strategy in digital business? So I would like to ask you some questions as your business is related to my thesis topic focusing on the e-commerce sector.

Respondents: We talked about it earlier. Didn't it help that time?

Interviewer: no no, it was. But the thing is I need to ask you some followup questions and that time I thought it was enough. But the thing changed and I realized I need to go in depth.

Respondents: Oh, sure sure, go ahead with the questions.

Interviewer: My first question is "Is your company's management familiar with digital tools?"



Respondents: Look, this is basically ICT related Industry, we are familiar with the tools. We need to do a lot of things with the company like communicate with each other using different types of platforms. We need to talk to our clients, business partners and suppliers. Such as we use email for making it professional. We also prefer sending our invoices by email. You know the records! We send it by email to make it professional. Bangladesh is becoming digitalized as well. So definitely we need to use digital tools. During the time of quarantine, home meetings are by zoom. We are familiar with zoom now. Nowadays we use it.

Interviewer: Does your company's management have a clear vision for utilizing digitality in the future?

Respondents: I have been working in this sector for two and half years. I have never faced problems with these digital things. The management has a clear vision for digital things. You need to understand what we are doing and how we are doing. Our main focus is on customer satisfaction

We have live chat options. We have a call-center for dealing with complaints. We do have problems as it is a developing country but we are trying to improve them.

Interviewer: Does your company's management support the utilization of digitality in your company?

Respondents: I have already mentioned that our management has a clear vision and we are living in the digital era. It is a common assumption. When I was a university student. You know in our country we have Meena Bazaar and Agora. You know people used to call for home delivery. But that time people could not go to the shop but could not get it online as well. They used to go and ask for it. Then the shop delivered.



Now we have the internet. We can easily order them and they can deliver it anytime at our house. Even due to Coronavirus, people are avoiding the markets.

Interviewer: Does digitality enhance your business? If yes, how?

Respondents: Can you repeat the question?

Respondents: Digitality is always enhancing our business Because of the internet people can order online. So it is reducing transport cost and it is definitely enhancing business. But the problem is we can not cover the whole country. We have specific areas to cover. Sometimes, internet connection is a problem as today it is raining here. It's creating a lot of problems with internet connection. I think it helps but there are problems and improvement is also there.

Interviewer: How much is your management familiar with the term sustainability strategy?

Respondents: Sustainability strategy is definitely familiar to us. It is familiar to us in many ways. We focus on employee's satisfaction. You know that you have wants, needs and we need to take care of them. We need to think of our customer satisfaction. We have to think of our financial performance whether it is steady or not. I meant stable or not. Also environmental issues in Bangladesh like we have a lot of environmental problems. And, we are also contributing to society like tree plantation and donating to natural disasters. You know we are facing.....

Interviewer: Yes last time it was Ayla. Something like this storm

Respondents: yea. This time afnan may be also infecting people as well. .



Interviewer: How much are your stakeholders involved in your business when you make any new policy or strategy for your business?

Respondents: this organization is a private owned company. If we need to add or remove any policy, we the top management discuss and inform the owner. Then the owner usually makes a decision. Most of the time, I would say, the owner is very cooperative. He always respects and coordinates our decisions.

Interviewer: What major sustainability risks were recognized?

Respondents: In this case, I would say Product damage and order cancellation. We make a chain with vendors, suppliers and customers. When we get the product, do cross check and send it to the customers, sometimes the product is damaged in the middle of the road inside the transport because of the broken roads. But this is not our fault! But, The order was cancelled and we need to refund the customers.

We face problems because the suppliers supplied us the right product. After our checking, we approve and send it, the product get damaged at the middle of the road, we cannot claim it from the supplier. But the customers have the right to do it anytime! We also pay the courier company. We cannot get refund from them as well! By the way. Higher competition is another major risk.

Interviewer: How did you align the sustainability strategy with overall digital business?

We have an IT department, HR department, Supply chain department and marketing department. Each department has their own work and own activities. HR takes care of everything. In our business we focus on the market segments and also we try to reach to the customers' hearts. You know that we will have goodwill of the company among the customers. So they would think this is my company and if I miss their product, I am going to miss everything.



So, we have a very good customer service department according to me monitored by HR. They are responsible for customer satisfaction. We are trying to maintain risk management of our company. Our accounting department is very active on that. They take care of problems if anything happens. Overall, I would say that during this crisis or pandemic moment of corona, but then again we do not have an idea what is going to happen in future but I think for now, the way it is going, we all are helpful. .

Interviewer: What are the social and economic opportunities in your company?

Respondents: As I have already said to you in the last question, the employees working in the company are very helpful and hardworking. Employees are part of the society. We have a good bonus system on sales, up to 75% paid parental leave, medical insurance for our employees. For the society, I would say, we do some social welfare activities as I said before we do tree-plantation, we are also helping the people infected due to coronavirus. We have some foundation where we donate food. Now we are donating food to the homeless people. Because of Corona, we are feeding a lot of families every day. We care for our society, we care for customers and we care for the environment and our major goal is to take the company to the top. For other e-commerce SMEs it is also important.

Interviewer: moving to the next question, I would ask, did you benchmark on sustainability against your competitors?

Respondents: I am very sorry, because of the network, I did not understand the question. Can you ask the question again?

Interviewer: Question repeat.



Respondent: well, we have competitive advantage. In this generation and digital market, More than 100 competitors are doing the same business in this market. Few of them have very good investment and they are playing so good in the market. You watch football right? They are playing like Spain did in the World cup 2010! So, they are trying to compete with us. We are also considering our competitors so we can improve ourselves. But we are trying to compete with them and thinking of expanding more. While recruiting people, we are taking higher qualified applicants. You know we are taking someone who is qualified but not the one who needs the job. We are looking for passionate people who are experienced in this ecommerce field.

Interviewer: How the manager is working to educate employees about sustainability strategy?

Respondents: as you know that the market is changing every moment and very fast. Technologies we used yahoo before and we used internet explorer before, now Gmail is more popular and we are using google chrome. Our manager is well trained enough and in our business, if something new comes, the manager tries to train himself first. Later, he arranges seminars and trains physically with others. He arranges seminars to train them and make things easier. It is important for us to know the updated technologies.

Interviewer: What and how do you set improvement goals in this area?

Respondents: There are so many departments like the accounting department, marketing department and so on, Each and every department is working to improve their activities to reach the company's goal. We want to increase the suppliers and expand our business to each and every corner of the country.

Call interrupted!

Interviewer: Hello Mam, call was interrupted



Respondent: I am very sorry, it is raining here and this is why call was interrupted

Interviewer: it's alright. Can I ask the next question?

Respondent: yes sure.

Interviewer: How sustainability strategy is affecting your overall business performance?

Respondents: You know it takes time to accept the change especially in Bangladesh. I would say, at this moment, everything is going well but you know the lockdown situation in Bangladesh. We are working to improve our service and try to make it flexible for our customers. The company had very good turnover for the last few years and it is increasing gradually. I would say for now it's good but now the situation has changed and we can not predict the future.

Interviewer: that's true. Thank you so much. That's all from me. And thank you so much for helping me once again

Respondent: Good luck with your thesis work.

Interviewer: Thank you so much. I will send you the thesis copy when it will get approved.

Respondents: Sure sure. I would love to read it.

Interviewer: Thank you so much. Have a good night.

Respondents: Ok ok. Good night.

Interview 06:



Duration: 16.48 Minutes

Interviewer: Hello

Respondents: Hello

Interviewer: Assalamu Alaikum Bhaia. Are you busy now?

Respondents: No I am Not.

Interview: I told you something about one interview for my thesis. I would like to ask you some questions about your company.

Respondents: Oh yes.

Interviewer: Can I ask the question now?

Respondent: yes you can ask me the questions.

Interviewer: My first question is “Is your company’s management familiar with digital tools?”

Respondents: yes we are doing our task digitally. Even for the communication inside our company, we are using digital tools. Like was used paperwork before, now we are not using it anymore. Now we are using email for communication. We are no more using the postal system.

Interviewer: Does your company’s management have a clear vision for utilizing digitality in the future?

Respondents: Yes. Our management is so aware of digitalization. They want the upgraded systems and platform for our company to be digitized.

Interviewer: Does your company’s management support the utilization of digitality in your company?



Respondents: our management is so supportive. As our management thinks, time is changing and worlds are upgrading but why would we be behind? So the management is trying to implement everything that can do it for now.

Interviewer: How do you incorporate new technology, including e-technology, into services and into the delivery system and process, as appropriate?

Yes we are doing. For example, before we were used to using letters for our communication. Now we are using email for it. In terms of suppliers, they send us all the details of their product by email. We mark what we need and send it back to them. Then the suppliers send us the product. We are saving time as it took too much time before but now we are getting it easily and earlier. We are getting rid of a huge communication gap.

Interviewer: How much is your management familiar with the term sustainability strategy?

Respondents: yes we did a lot of jobs for sustainable development and we applied sustainable strategy. In terms of society, we arranged workshops for creating social awareness. Even we made a gym for our employees at the same building.

Interviewer: What major sustainability risks were recognized?

Respondents: Tough to say. You know Bangladeshi people. They can't not take any change easily. There is a problem of mind set up of Bangladeshi people. This is the main risk.

Interviewer: How did you align the sustainability strategy with overall digital business?

For example, before we did desk jobs from our office. When we created a gym for the employees, they thought that we don't need to go to the gym to keep



us fit! At the same time, they are coming to the office early in the morning and going to the gym for a workout. So they are not getting late anymore to the office. It is one kind of motivation for them. They are giving importance to the office.

Interviewer: What are the social and economic opportunities in your company?

Respondents: Last time when it was flooded, we arranged a donation. We have arranged health insurance. For pregnant women, we have 100% paid parental leave. We also have mandatory leave for the employees for 15 days in a year. We also provide different gifts to the employees.

Interviewer: What is the business value?

Respondents: it's a good question. Our main value is honesty and faster service. Whatever the customer is seeing at their computer before ordering, they will get the same product after purchase and it will be delivered within a very short time. This is our main strength. We don't do any unethical activities with them. There can be mistakes but if we complain about any product, we change it instantly. Therefore, they are keeping trust in us.

Interviewer: moving to the next question, I would ask, did you benchmark on sustainability against your competitors?

Respondents: we have a lot of competitors. The difference I would say is, we reach customers faster than others. If we consider the product, then we never compromise with the quality. Maybe other competitors are doing the same. But it's difficult to maintain the quality and service at the same time. I do believe that the work we do is better than our competitors.

Interviewer: How the manager is working to educate employees about sustainability strategy?



Respondents: Yes we are trying. We arrange different courses for the employees. Especially on digital marketing. Later they helped subordinates to get into it. This helped us a lot.

Interviewer: What and how do you set improvement goals in this area?

Respondents: In terms of business, we want to concentrate on daily goods. Before, we were used to concentrating on mobile accessories and dresses. But now we want to focus on daily necessary goods like rice, salt, lentils and so on. We want to add new inventories at our business.

Interviewer: How sustainability strategy is affecting your overall business performance?

Respondents: Yes it's good I would say. Now we are communicating with more customers and partners. Before we had a level but not up to the mark. We had selective partners but now we are going to the mass media for it. We are going to increase our network and supply chain. We are collecting the product from the producer directly. Therefore they are getting very good payment from us. At the same time, we are delivering the right product at the right place at the right time at the cheapest price.

Interviewer: what are the target customers?

Respondents: we had before but now we are trying to reach to everyone

Interviewer: last question. As you know Bangladesh has a lockdown. How is your business going?

Respondents: it's going good because people are staying at home and ordering by the internet. We are trying to deliver as early as possible. By the way, we are providing hand sanitizer and mask for free. Most of the employees are working at home but the people who deliver working only in the field.



Interviewer: Thank you so much. It's already late at night. Maybe its your sehri time. I don't want to take more time.

Respondents: welcome.

Interviewer: as soon as my thesis finished, I will send you the copy

Respondent: alright. Thank you. Bye

Interviewer: bye.