Unpacking business model innovation process through an attention-based view

Laszczuk Alexis
PSL, Université Paris-Dauphine
alexis.laszczuk@dauphine.fr

Mayer Julie
PSL, Université Paris-Dauphine
julie.mayer@dauphine.fr

Résumé

Ce papier explore le processus d'innovation de business model (BM), en examinant le rôle de l'attention managériale. Au travers d'une étude longitudinale basée sur plusieurs années d'observation, l'étude retrace un processus d'innovation de BM au sein d'un petit cabinet de conseil. Les résultats montrent que l'innovation de BM s'opère par une succession de séquences attentionnelles. Ces séquences comportent trois phases d'attention (percée, incubation et concrétisation), durant lesquelles les acteurs modifient progressivement leurs structures cognitives et élaborent des solutions en rupture avec les schémas préétablis. Cette étude permet de conceptualiser l'innovation de BM en tant que processus incrémental, façonné par la succession de différentes formes d'attention. En particulier, les leviers attentionnels favorisant l'innovation sont mis en évidence.

Mots-clés : Business Model, Innovation, Attention

Unpacking business model innovation process through an attention-based view

1. INTRODUCTION

In a fast-changing environment shaped by rapid technological progress, globalized competition and complex regulatory evolution, reconfiguring business has become a crucial strategic capacity for companies. In this context, business model innovation (BMI), - the process of organizing business in a new way (Casadesus-Masanell & Zhu, 2013), provides a new source of competitive advantage (Chesbrough, 2010; Foss & Saebi, 2015). As it raises a growing interest in both research and practice (Zott, Amit, & Massa, 2011), BMI is now considered as a key source of sustained value creation (Foss & Saebi, 2016).

Studies on BMI stress the central role of cognition to apprehend BMI processes (Foss & Saebi, 2016). On the one hand, a part of BMI studies shows that firms modify their business model by responding to exogenous stimuli, such as technological or regulative change (e.g. Wirtz, Schilke, & Ullrich, 2010). Managers detect and interpret those stimuli to adapt their organizational activities (Osiyevskyy & Dewald, 2015). On the other hand, some studies argue that BMI does not necessarily result from external stimuli but rather from managerial willingness to innovate (Martins, Rindova, & Greenbaum, 2015). Drawing on cognitive theories of strategy (e.g. Gavetti & Levinthal, 2000; Ocasio, 2011), they suggest that BMI occurs through a cognitive process that modifies managers' mental representations.

Despite this growing interest for cognition, research still has to explain how attention, as a central mechanism of managerial cognition, shapes BMI process. Indeed, due to their bounded rationality (Simon, 1947), managers' attention plays a significant role in noticing, selecting and responding to environmental stimuli (Ocasio, 1997). Therefore, BMI may depend on the way managers allocate their attention to threats and opportunities (Shepherd, McMullen, & Ocasio, 2016). Thus, this study explores how managerial attention shapes BMI process.

To do so, we draw on the Attention-Based View literature (ABV) (Ocasio, 1997; 2011). ABV explains how managers allocate their attention, i.e. their time and cognitive efforts, on a limited number of issues. ABV states that attention varies across situations. In particular, ABV studies underline the role of repertoires of interpretations, communication channels and

organizational structures in distributing managerial attention (Joseph & Ocasio, 2012; Rerup, 2009).

We provide a longitudinal analysis of a new business model development in a small consulting company: we describe how new issues progressively receive managerial attention over several years. Findings reveal BMI occurs through simultaneous or successive attentional sequences. Those sequences encompass three attentional phases (breakthrough, incubation and concretization), which lead actors to progressively design and implement a new BM. We also identify the attentional triggers that allow the transition from one phase to another.

This study provides several contributions. On the one hand, it contributes to understanding the cognitive mechanisms of BMI (Berends, Smits, Reymen, & Podoynitsyna, 2016), by clarifying the role of managerial attention. On the other hand, we extent recent studies on ABV by providing insights on how the fluctuation of attention generates strategic moves (Shepherd et al., 2016).

This paper is structured as follows. First, we introduce our theoretical framework, which articulates BMI and ABV literatures. Second, we expose our methodology. Then, we describe our findings and discuss the contributions of the study.

2. THEORETICAL FRAMEWORK

After introducing the concept of business model, we review the literature on business model innovation (BMI) and underline the role of cognition. In particular, we justify the need to further explore the role of attention in BMI process, by mobilizing an Attention-Based View (ABV).

2.1. BUSINESS MODEL

BM is a popular concept both in research and practice (Pateli & Giaglis, 2004), as it "[…] provides a set of generic level descriptors of how a firm organizes itself to create and distribute value in a profitable manner" (Baden-Fuller & Morgan, 2010, p. 157). Despite this well-identified finality, BM remains an unclear construct (Foss & Saebi, 2015). Despite a growing interest for the concept since the 90s (Demil, Lecocq, Ricart, & Zott, 2015), there is no integrative and accepted definition of BM (Zott et al., 2011). However scholars agree that BM refers to the value creation, delivery and capture mechanisms through the firm activities (Demil & Lecocq, 2010; Teece, 2010; Zott & Amit, 2010). The concept provides new opportunities for strategy studies (e.g. Brea Solís, Casadesus-Masanell, & Grifell Tatjé, 2015;

Casadesus-Masanell & Ricart, 2010; "Corporate-NGO Collaboration: Co-creating New Business Models for Developing Markets," 2010) especially because it considers both the firm external factors and internal elements. Thus, it provides a systemic and holistic perspective that allows taking an integrated view of the firm's activities for value creation (Massa & Tucci, 2013; Schneider & Spieth, 2013).

The origins of BM popularity underline that the concept development is intertwined with innovation phenomena and dynamics. In the Internet and e-business emergence context, BM allows to shed light on the value creation of these new firms (e.g. Amit & Zott, 2001) and therefore reveals useful to explain "new forms of doing business" (Foss & Saebi, 2015). The literature has stress two sides of the link between BM and innovation. First, BM acts as a vector to integrate technological innovations and new ideas for creating new businesses (e.g. Chesbrough & Rosenbloom, 2002; Johnson, Christensen, & Kagermann, 2008). Second, BM itself constitutes a source of innovation. As product or process, BM is considered as a new form of innovation (business model innovation) (Massa & Tucci, 2013). This second aspect gradually gained importance in the business model literature until becoming a distinct research stream.

2.2. BUSINESS MODEL INNOVATION

BM innovation is strongly linked to BM change. Studies are both interested in the content of the BM change (e.g. Linder & Cantrell, 2000), as well as in the process of change (Sosna, Trevinyo-Rodriguez, & Velamuri, 2010). BM change dynamics are strongly interlinked with innovation process (e.g. Giesen, Berman, Bell, & Blitz, 2007): business model innovation (BMI) – refers to the search for new logics of the firm and new ways to create and capture value for its stakeholders (Casadesus-Masanell & Zhu, 2013) - is now considered by many practitioners and academics as a source of competitive advantage (Chesbrough, 2010; Foss & Saebi, 2015; Zott & Amit, 2007). Paradoxically, BMI phenomena have been less discussed in the literature than the definition and the usefulness of the BM concept. Therefore BMI is less well understood that revealing a lack of its theoretical foundations (Foss & Saebi, 2015).

Recent reviews on future research agenda on BMI underline the need to develop a better understanding about antecedents, barriers and moderators of BMI process (Foss & Saebi, 2016; Schneider & Spieth, 2013; Wirtz, Göttel, & Daiser, 2016). Cognition - managerial and organizational - is clearly identified as a key dimension for understanding BMI, since it implies change in cognitive structures (Foss & Saebi, 2016). Owing to the BM complexity –

due the multitude of its possible configurations - BMI is known to require a huge cognitive effort from actors (Berends et al., 2016; Massa & Tucci, 2013). In line with that aspect, Desyllas and Sako (2013) point out that main barriers of BMI are cognitive. Several studies have already stressed the implication of managerial and organizational cognition on BMI. Sosna et al. (2010) suggests the owner's cognition is determinant for BM design, while Asapara et al. (2013) show the implication of cognitive processes in decisions for BM transformation at a corporate level. Cognition also acts as antecedent of BMI, when managers detect and interpret salient stimuli in the environment leading to change – for example the need to response to disruptive BM (Osiyevskyy & Dewald, 2015) – or in contrast, when BMI is the result of managers' will and deliberate cognitive processes (Martins et al., 2015).

Although this body of literature outlines the central role of cognition in BMI, it has not so far addressed the specific role of managerial attention. As a core cognitive mechanism, managerial attention, i.e. the allocation of managers' time and cognitive efforts (Ocasio, 1997), is a scarce resource for firms (Simon, 1947). Since innovating is particular demanding of managerial attention, either for issue scanning or brainstorming (Li, Maggitti, Smith, Tesluk, & Katila, 2013; Vuori & Huy, 2016), it raises important challenges for BMI (Foss & Saebi, 2016). To specify these challenges, we now turn to the Attention-Based View literature.

2.3. AN ATTENTION-BASED VIEW OF BMI

The Attention-Based View (ABV) defines attention as the noticing, encoding, interpreting and focusing of time and effort by organizational decision-makers on issues and answers (Ocasio, 1997, p. 189). The purpose of ABV is to understand why and how firms respond to issues (Ocasio, 2011), by examining the mechanisms through which actors select environment's stimuli (Weick & Sutcliffe, 2006) and distribute their time and efforts across the organization (Rerup, 2009).

As an inherent part of the cognitive mechanisms involved in BMI, attention raises several issues. First, BMI relies on the ability to pay attention to external stimuli (Osiyevskyy & Dewald, 2015). Nevertheless, information overload can interfere with the notification and selection of external stimuli (Weick & Sutcliffe, 2008): the infinite scope of available information can parasitize BMI, by preventing managers from distinguishing relevant opportunities or threats (McMullen, Shepherd, & Patzelt, 2009). Second, due to managers' bounded attention (Simon, 1947), BMI may not involve a deliberate and rational process.

Indeed, managers are confronted to cognitive biases that lead to unconsciously simplifying or deforming reality (Tversky & Kahneman, 1974). In some situations, those biases bypass organizational efforts to orchestrate attention, leading to inadequate behaviours (Starbuck & Milliken, 1988) and deviances (Vaughan, 1999). The dispersion or diversion of managerial attention can thus deviate BMI from its original purpose or slow down the process. Furthermore, organizational repertoires, channels or structures can also generate rigidity in BMI, impeding to notice issues that are not congruent with existing BM. For instance, by focusing on their original BM, actors in an established firm can miss new opportunities (Tripsas & Gavetti, 2000), generating a "strategic myopia" (Levinthal & March, 1993).

Therefore, understanding the attentional mechanisms involved in BMI is an important matter. In particular, an attention-based view can contribute to opening the "black-box" of BMI by tracking the process through which a firm selects opportunities or threats to formulate a combination of business choices and actions (Shepherd et al., 2016). More specifically, we argue that the ABV provides a relevant conceptual lens for BMI, since it considers attention as a "situated" process (Ocasio, 1997; 2011): attention results from both actors' cognition and firms' choices and activities.

An attention-based view of BMI has several implications. First, managerial attention can only focus on a limited amount of issues (Ocasio, 1997). Therefore, BMI can be seen as a process of selection and focus on specific issues. A new BM therefore reflects the selected repertoire of issues that firms' managers chose to attend. Understanding BMI thus means examining which issues are addressed, and unpacking the mechanisms through which managers detect, select, interpret and respond to them (Ocasio, 1997). Second, an attention view of BMI implies to study "situated" managerial activities: managers are embedded in a contextual situation that shapes the way they address threats and opportunities (McMullen et al., 2009; Shepherd et al., 2016). Managerial attention depends on multiple aspects of the contextual situation (Joseph & Ocasio, 2012). In particular, firms can orchestrate managerial attention by settling objectives and distributing tasks among actors (Cyert & March, 1963). Firms rely on shared "repertoires" of issues and solutions (Ocasio, 1997), such as or managerial tools (Hall, Mikes, & Millo, 2015) that orientate attention. They also draw on communication channels and structures (i.e. rules, norms, systems of roles) that drive actors' behaviours (Barnett, 2008; Ocasio, 1997). Actors can also compete for decision-makers' attention by performing "issue-selling" (Dutton & Ashford, 1993; Dutton, Ashford, O'Neill, & Lawrence, 2001). Consequently, taking an ABV lens implies adopting a "meso" level of analysis to study BMI.

In other words, a BMI processes do not only encompass actors cognition and actions, but also the context in which they are embedded.

Finally, an attentional lens implies focusing on how managerial attention is distributed over time (Joseph & Ocasio, 2012; Rerup, 2009). As innovation encompasses heterogeneous activities (e.g. information searching, brainstorming), it may involve a succession of various forms of attention (Li et al., 2013). For instance, studies on research and development processes reveal how attention on specific details (Naveh & Erez, 2004) and focus on internal or external information (Dahlander & O'Mahony, 2016) shape innovation processes. Attention may be either "selective", i.e. scanning and selecting issues, or "engaged", i.e. focusing intense efforts on developing an idea (Ocasio, 2011; Weick & Sutcliffe, 2006). Examining BMI process thus implies studying how those forms of attention evolve (Cho & Hambrick, 2006).

To conclude, this paper draws on an attention-based view to unpack business model innovation. We address the following research question: *how does managerial attention shape BM innovation process?*

3. METHODOLOGY

We chose to investigate the attentional mechanisms underlying BMI process through an explorative study relying on a qualitative approach. This paper is based on the case of the development of the New Offer Project (NOP) at Consultor – a consulting company. It explores how the project led to BM innovation through observation over a 40-months period, completed by interviews and archival data.

3.1. RESEARCH SITE

Consultor is a French and small management consulting firm based in Paris. The main activities of the firm are consulting services for big companies. Consultor is working essentially on the French market but has several small branches in Europe and Canada. Founded in 2010, the company is growing each year to reach in 2016 a revenue of near 6 million euros. Its staff is composed by 43 consultants. Management consulting sector, as a mature industry, is conducive to BM innovation (Massa & Tucci, 2013).

Despite a healthy business, competition on the consulting market is hard. Consultor's top management felt (every day in their work) the increasing necessity for consulting firms to offer new solutions to their customers. The classical consulting methods responded less and

less to the customers' expectations, especially the ones of small entities such as SMEs. These ones were identified as a growth lever, so in 2013 Consultor's top management has decided to develop a new offer project (NOP) for this special customer segment in order to differentiate from competitors.

The main idea of the project is to propose consulting services that specifically respond to SMEs needs. If management consulting remains the main activity, the NOP is different and represents a new BM development. Among the principal differences, (1) the NOP targets a different customer segment (SMEs) implying to adapt customer relationship; (2) consulting services and methods should be adapted too; (3) two partners participate to value proposition construction; (4) consequently, resources must be adjusted to be able to create, deliver and capture the NOP value. A dedicated team (NOP team) – composed by Consultor's consultants – has worked to create and develop this new offer and in particularly to define its BM. However, if the latter is the main subject of the project development, actors in the field do not use any BM concept, either word, definition or framework. The NOP constitutes therefore an appropriate context for exploring the attentional mechanisms that underlie BMI process.

3.2. DATA COLLECTION

The single-case design of the study follows the ethnographic type (Atkinson & Hammersley, 1994). One of the authors spent three days a week in the field during forty months thanks to an internal position at Consultor. That period allowed him to participate to the NOP development through related activities (meetings, workshops, etc.) and organization's social life (interactions with stakeholders, informal conversations, events, etc.).

In order to understand the attentional mechanisms that underlined the BMI process, we have studied the development of the NOP BM. The BMI process is informed by both primary and secondary data. First, participant observation and systematic notes taken by one of the authors via a diary (e.g. Empson, 2013). The data collection set-up allows assisting and participating to 99 events of the NOP development and recording (audio records) a substantial part it. Moreover, the researcher shared the everyday life of the organization's members. Second, formal semi-structured interviews with various stakeholders in the project (Consultor's members, partners, etc.) were performed (and recorded) at different development stages of the NOP. Documents related to the projects (minutes, e-mail, etc.) or to the company (web site, articles, corporate presentations, etc.) have been collected over the forty months. Although the project was officially launched in 2013, the case analysis shows that anterior events had

inspired the CEO's ideas before Consultor's creation (particularly between 2000 and 2012). Therefore, we also relied on retrospective interviews to investigate these anterior events. Table 1 summarizes the collected data.

Table 1. Data collection and use in the analysis

Data sources	Type of Data	Use in the analysis
Observations	Field notes from 99 new offer development events (about 420 pages): Detailed records of interactions, conversations and consequences	To identify attentional objects and characterize NOP team's attention (distribution of time and efforts)
	Informal observation of everyday activities in the company	Acclimation to the context, drive data collection on relevant events and interactions
Meetings	Transcribed audio records from meetings 47 meetings (about 55 hours – 1450 pages) on the new offer development.	To trace precisely NOP teams' attention (words used, the interactions during meetings, the elements that are used later in the development of the offer)
Interviews *8 taped interviews (about 7 hours – 105 pages)*	Transcribed interviews with different stakeholders in the new offer development project	To analyze actors' interpretations and intentions during NOP project
	Informal interviews with Consultor's staff	To understand the context. To grasp informal elements in the relations between people
Archival data *(about 60 pages of company-related documents and 300 pages of project-related ones)*	Company related documents: web sites, corporate presentations, internal presentations.	Consider the identity and economic context in which the new offer is developed
	Project related documents: minutes, correspondence with stakeholders, customers' presentations, others.	Trace the new offer formalization steps, its modifications, and completion

3.3. DATA ANALYSIS

To reconstitute and examine the BMI process, data analysis encompassed three main steps: the identification of the attentional objects addressed by the NOP team, the construction of a database of incidences, and the analysis of "turning points" in the evolution of NOP team's attention.

The first step involved the construction of a general event narrative (Nigam & Ocasio, 2010). Through an open coding, we tracked the issues on which the NOP team allocated its attention during meetings, discussions and activities. By comparing their similarities and differences, we aggregated them into 7 categories of issues, which we called "attentional objects". To estimate how NOP team distributed its attention among those 7 attentional objects, we tracked NOP teams' evolution of attention for each attentional object. We evaluated NOP team's attention to an object through three dimensions: intensity (Weick & Sutcliffe, 2006), stability (Rerup, 2009) and concrete actions (Dane, 2013) over time. Table 2 presents the indicators of those three dimensions:

Table 2. Indicators of NOP team's attention on an attentional object

Dimension	Indicator
Attention intensity	Number and duration of formal meetings handling the object Number of informal discussions dedicated to the object Object's weight in NOP meetings' agenda
Attention stability	Number of months that include at least one meeting or discussion about the objet
Concrete actions	Activities performed by NOP team's members (e.g. meeting a customer, designing a tool, etc.)

Secondly, we constructed a database of incidences (Langley, 2007) to reconstitute the process of BMI. We defined an "incidence" a time and space delimited event (Van De Ven, 1992), involving NOP team's activities dedicated on one of the 7 attentional objects. We coded each incidence according to the following themes: description of NOP team's activities, form of attention, and outcomes on NOP BM (i.e. new characteristic or modification in the NOP offer). This step allowed reconstituting the main stages of the BMI process, by ordering and characterizing events in a chronologic incidence database. We delimited BMI "phases" by detecting when the NOP teams' allocation of attention changed significant or when the NOP BM was modified.

Thirdly, we used our database of incidences to identify the "turning points" (Nigam & Ocasio, 2010) in the process of BMI. A turning point refers an event, or a set of events, that indicates a shift in the BMI process, i.e. the transition from a BMI phase to another. Then, through a systematic comparison of those turning points (Glaser & Strauss, 2009), we inductively identified the conditions for BMI phases' transition, which we called "attentional triggers".

4. FINDINGS

The finding section is structured in three parts. The first part exposes the 7 attentional objects on which the NOP team distributed its attention over time, and explains their implications on NOP BM innovation. The second part shows that those objects encompassed systematically a sequence three attentional phases (breakthrough, incubation, concretization). The third part examines the "attentional triggers" that allowed the transition from one phase to another.

4.1. ATTENTIONAL OBJECTS AS DRIVERS OF BMI PROCESS

Consultor has officially launched the New Offer Project (NOP) in 2013, when Bernard, the CEO, decided to constitute a Consultor's consultants team dedicated to address a new customer segment. Such project was in his mind since the first part of the 2000s. Between September 2013 and December 2016, the NOP team has developed several elements that

constitute the offer BM, a new one for Consultor. While its original BM is based on classical management activities – i.e. project management for big companies - the NOP targets SMEs and proposes a broader service adapted to their specific needs. The new BM is founded particularly on a reconfiguration of the consulting services model and the intervention of partners.

To understand the BMI process of the NOP, we tracked the team's activities during those 40 months. We observed that the team successively worked on different topics, such as innovation of the project management methods or the customer segment precision, therefore the development of the NOP BM was an ongoing process. We noted that this ongoing process was driven by different topics: the team successively allocated time and efforts among those topics (e.g. meetings, workshops). Consequently, those topics constituted attentional objects. Seven attentional objects appeared to be particularly salient in the development of the NOP. The NOP team focused the major part of its work on those objects, which in turn shaped the path of BM innovation. Table 3 presents a short description of those objects.

Table 3. Attentional objects in the NOP development

#	Attentional objects	Description	Consequences on the NOP BM
1	SMEs	Small and Medium Enterprises (SMEs) is considered as an opportunity for consulting services, considering their specific characteristics and needs.	The first NOP target is identified and a first idea of the value proposition emerges.
2	Management research	Academic management research is seen as a way to innovate the consulting methods in order to adapt them to the SMEs' needs and constraints.	Consultor innovates his consulting methods through management research to enrich the value proposition.
3	Technological competencies	Technological competencies are considered as a central subject for NOP value proposition, to provide SMEs with technical support in IT projects.	New partners are involved in the NOP. Their technological expertise allows to answer to the target's needs.
4	Luxury industry	SMEs in the luxury industry is temporarily considered as the specific customer segment to address.	The NOP customer segment is refined to target a specific sector.
5	IT innovation	IT innovation is temporarily considered as core competency to enrich the value proposition in the NOP.	A partner's IT innovation is considered as a core element of the NOP value proposition.
6	Functional scope	The NOP scope is delimited to a main function of firms to propose "turnkey" solutions.	The NOP customer segment is transformed to target one of the main functions of the firms.
7	Management committee support	Addressing SMEs' management committee is perceived as a more promising value proposition because it enables Consultor reaching strategic projects of firms.	SMEs' management committee becomes the NOP target. NOP services are adjusted to respond to their needs.

4.2. BMI PROCESS AS A SERIES OF ATTENTIONAL SEQUENCES

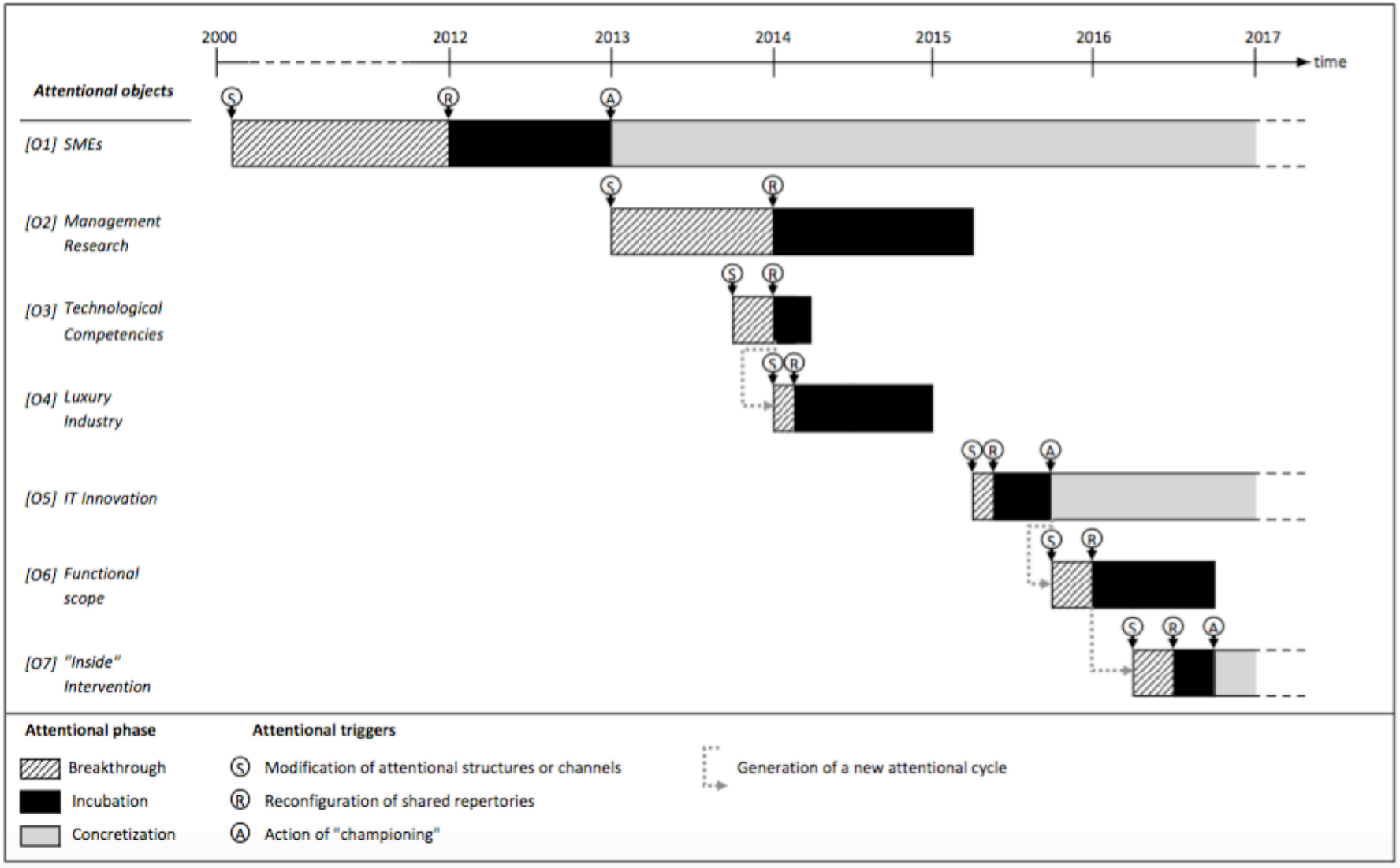
We observed that attentional objects are addressed in three successive different ways, corresponding to the evolution of attention forms. The succession of attention forms dedicated to each attentional object constitutes successive attentional sequences - composed of three

phases - which shape the BMI process over time. First, selective attention drives the phase of "breakthrough" allowing some actors of the NOP team to identify new ideas. Stimuli from the environment entered the team's attention scope and lead to generate a new idea. For example, observing failures of classical consulting methods for SMEs projects, contribute to move Bernard's attention toward SMEs specific needs. Second, during the "incubation" phase, the whole team – through engaged attention - shares, discusses and explores further the ideas with the aim to integrate them the NOP BM. Intense effort is accorded to ideas in order to develop and make it more substantial. Addressing SMEs specific needs lead to many meetings with several kinds of stakeholders. Third, translation into actions allows the team to concretize the ideas to integrate them into the NOP BM. The "concretization" phase is an operational application of the ideas, in other words, it makes the ideas real. For instance, the idea to address SMEs specific needs was concretized through a new partnership with an IT service company (ITPartner). Figure 1 shows the attention sequences occurring in the whole NOP BMI process over time.

In some cases, a new attentional object emerged from the concretization phase: feedbacks received from customers or other Consultor members rose NOP team's attention toward a new object, which led to a new attentional sequence: customers' feedbacks received during the "IT innovation" sequence generated the "Functional scope" sequence. Similarly, Consultor members' feedbacks during the "Functional Scope" sequence generated the "Management committee support". Thus, some attentional objects could lead to new sequences: the activities performed to develop one attentional object determined actors' activities and shaped the structural situation in which actors were embedded (meeting with clients, etc.). This succession of sequences progressively shaped BM innovation's path, in an ongoing way.

In the light of those results, we can reconstitute the NOP BM innovation process, which includes seven distinct attentional sequences. As previously mentioned, the NOP had been in the making for years before being more concrete. Events as Bernard's consulting missions for SMEs or the meeting with an IT service firm (ITPartner) have fed progressively the idea to address SMEs' specific needs. Several discussions with ITPartner has led Bernard to perceive this idea as an opportunity. Through conversations some idea's aspects have been defined as SMEs' expectations and ways to satisfy them. The construction of a dedicated offer to SMEs in partnership with ITPartner transformed the Bernard's initial idea into first elements of a new BM. This sequence represents the NOP BM innovation process' first step.

Figure 1. BM Innovation as a succession of attentional sequences



Considering that the offer construction – through its BM innovation – is actors' objective, this sequence has consequently spawned other ones. Following sequences were explorations of ways to reach the objective.

When this first attentional object has started a concretization phase, other ones have appeared and started their own attentional sequences. Working on ways to operationalize the idea to address the SMEs market, the NOP team has detected, selected and focused, simultaneously or successively, on new attentional objects. For example, the innovative project management method followed the two first phases of the attentional sequence. Based their experiences Consultor's top managers were convinced that classical consulting methods are unable to answer SMEs specific needs. Per them, the NOP should develop and propose new ones to its customer. The way to do so is identified thanks to the researcher's proposition to do a PhD at Consultor: some management research insights have fed the thinking to innovate consulting methods. However, if innovative methods have been thought, they were not concretized, e.g. through the construction of new management tools. The development of the new methods was momentarily stopped to focus on other attentional objects.

The study of the BMI process over the 40-months period shows that several NOP BM aspects evolved according to the attentional sequences succession (Table X). For instance, the NOP team considered different natures and scopes of customer segments over time: at the beginning, the NOP addressed all types of SMEs. From 2014, when luxury industry appeared as a new attentional object, the NOP team temporarily decided to narrow the scope of customer segment, by focusing more specifically on luxury sector SMEs. However, the appearance of other attentional objects shaped again the target, leading the NOP team to focus on all types of small and medium organizations (SMOs), on a precise scope within firms such as a company's main functions (e.g. finance, marketing, sales, etc.). Finally, the offer addresses top management teams of any SMOs. Such as the offer target, its value proposition or partners' roles have changed through attentional sequences. As for the revenue model, it has never been discussed – implicitly renewed from Consultor's original BM – until spring 2016 where a new one has been imagined. At the end of the observed period (December 2016), the NOP proposes specific consulting services - including partners' intervention - to SMOs' management committee. Such services are adapted to SMOs' needs and constraints (financial ones in particular).

The process analysis allows to observe that the NOP BMI process is an ongoing one driven by several intertwined attentional sequences. These are simultaneous or successive, and composed of three phases. We noticed that sequences are heterogeneous, i.e. all of them not reach the three phases. To explain this heterogeneity, we examined the "turning points" events that led from one phase to another.

4.3. ATTENTIONAL TRIGGERS FOR BM INNOVATION

To explain the transition from an attentional stage to another, we examined the "turning point" incidents in each attentional sequence (see Table 4). In particular, we found that turning points happened when situations met specific attentional triggers. Those conditions involve the shared repertories, the communicative channels, and the organizational structures in which the NOP team was embedded.

Table 4. Attentional triggers for BM innovation

BMI stage	Nature of turning point	Attentional trigger
Breakthrough	Structure and channels	Modification of attentional structures or channels (new interactions, issue-selling or working environment's reconfiguration)
Incubation	Shared repertoires	Reconfiguration of shared repertoires (issue-labelling)
Concretization	Managerial actions	Action of championing

Attentional trigger for breakthrough. First, we observed that most of the incidents leading to a new attentional object involved a modification of attentional structures and channels. We noticed two kinds of changes in the NOP team's working situation: new interactions and working reconfiguration. New interactions could come from NOP teams' internal or external environment: meeting with a new customer or partner, or sharing the project with other Consultors' members. Although most of those interactions were deliberately intended by the NOP team, their initial intention was rarely to search for new ideas or to innovate. Deliberate interactions came from one of the NOP team who decided to share one of his or her personal contact with Bernard, for business development purpose (see incident O1.2 and O3.1).

The way NOP team members shared their contact appeared as an "issue-selling" action: they deliberately tried to convince Bernard that meeting with their personal contact presented a business opportunity. Then, interacting with new actors affected NOP team's scope of attention: it broadened of modified their repertories of problems and solutions. For instance, meeting with ITPartner brought shed light on a new potential competency to integrate, IT expertise. IT expertise had not been considered in the scope of possible resources and

competencies until then. At this stage, we observed no visible consequences on NOP Offer: however, the idea of exploiting IT expertise entered into Bernard's agenda, and led to further discussions in the "incubation" stage. Therefore, we noticed that the initial trigger of BM innovation was rarely a managerial willingness to innovate.

Modification of attentional conditions also happened through the reconfiguration of NOP team's working environment. The breakthrough of "management committee support" as an attentional object provides an illustration (O7.1): in may 2016, the NOP team changed its way of internally communicating the project in Consultor. Instead of informally discussing the project with other Consultor's members, the NOP team organized a formal workshop with all Consultor members. Again, while this reconfiguration was proactively intended, the original intention was not to brainstorm on new ideas: the NOP team simply wanted to present the progress of the NOP Offer, and to have help on the commercial part. However, this particular situation led to unusual forms of feedbacks: by discussing the existing value proposition, new threats and opportunities arose. They drove the NOP team's attention toward the topic of SMEs' management committee, a customer segment they had not considered before.

Attentional trigger for incubation. Interestingly, some breakthrough occurred instantaneously (e.g. incident O7.1), while other took several incidences to be completed (e.g. incident O1.1, O1.2). In those cases, attentional objects remained as unaddressed external stimuli for several weeks or months: they were not properly selected by Bernard or by the NOP team as a relevant issue to address: for instance, Bernard worked with SMEs for a long period before considering SMEs' needs as an issue to tackle. By examining those longer periods of breakthroughs, we observed a third nature of turning points involved relabelling issues as something salient. Issue saliency perception meant that the NOP team "labelled" an attentional object as something either urgent or interesting (or both). Sometimes, labelling attentional objects as salient could happen instantaneously, generally when an issue-seller provided compelling arguments. In other cases, this labelling mechanisms took time: it occurred through the accumulation of multiple stimuli over time, until at one point, the convergence of these stimuli led Bernard or the rest of the NOP team to recognise the salient nature of the attentional object (e.g. O1.1).

Once integrated in the NOP's agenda, attentional objects received sustained cognitive efforts and time from the team (i.e. engaged attention). As described before, the NOP team successively dedicated meetings, workshops, brainstorming sessions or networking activities

to develop the seven different attentional objects. At the beginning of BM incubation, although the NOP team had selected a new "salient" issue, they had not formulated any precise idea. In the seven attentional sequences, shared repertories reconfiguration involved intense cognitive efforts from the team: meetings led to confrontations of ideas, problem reformulations, idea generations, etc. As literature classically suggests, this engaged attentional efforts allowed the team developing a deeper understanding of the issues they selected in the breakthrough step. Those engaged attentional efforts led to developing more specific ideas and to translate them into business implications: a new customer segment to address (e.g. O1.4 or O4.2), a new form of revenue structure (e.g. O7.2), or a new value proposition (e.g. O2.3 or O6.2).

However, building a new BM, different of the Consultor's original one, was not a trivial decision: it meant challenging existing methods, investing in new resources acquisitions, etc. To understand how attentional objects were translated into ideas in terms of business model, we examined the NOP teams' discussions during engaged attention periods. We systematically found turning points incidences, in which the team members modified the way they interpret their environment. We identified critical moments during meetings and discussions when NOP members suddenly talked differently about an object: instead of talking about ITParner as a subcontractor, they started mentioning him as a strategic partner (O1.3). While NOP team had always considered SMEs as a restricted target ("niche market"), at one point they said it was too large and needed to be specified. Thus, NOP team members changed their mode of categorizing issues and answers: we call this mechanism "shared repertories reconfiguration".

We observed that shared repertories reconfiguration was shaped by different factors. First, some shared repertories were deeper routed in Consultor's beliefs and values than others. For instance, categorizing Management Research as an opportunity to develop a value proposition came easily: Bernard and another manager consultant were familiar with management research and were quickly convinced (O3.2). On the contrary, categorizing IT competencies as a threat instead of an opportunity took more time for the NOP team: during a long period, the NOP team had shared the belief that IT competencies provided an added value to their offer for SMEs. Many discussions took place before changing this conception: at one point, the NOP team finally decided that imposing IT competencies in the NOP was a threat (O.3.3), since it could discourage customers who did not need such competencies. Furthermore, we observed that not all actors' voices had the same weight in the NOP team: Bernard generally

the most influent voice, and frequently set the tone of the discussions. However, actors' influences could also vary depending on their competencies and legitimacy on the attentional object. Although small disagreements and conflicts could emerge, meetings and discussions were extended until the NOP team achieved a common vision: we observed that translation of a simple "issue" into a concrete idea for NOP BM systematically implied to reach an agreement on what was happening, and how the firm should answer it.

Thus, to be performed, BM incubation required a reconfiguration of shared repertoires. Labelling issues in a different way led to generating new ideas, such as considering a new customer segment, formulating a new proposition value, mobilizing new natures of resources or new income structures.

Attentional trigger for concretization. Focusing intense cognitive efforts was not systematically enough to concretize the attentional object: only 3 out of 7 attentional objects completed concretization. In December 2016, Management Research (O2), Technological Competencies (O3), Luxury Industry (O4), ITPartner's expertise (O4) had not led to any concrete move: they were progressively abandoned, let on stand-by or disappeared from the NOP team's agenda.

Surprisingly, concretized objects were not necessarily those that received the most attention in the incubation phase. For instance, with an incubation period involving 2 meetings in a short period of time (i.e. 1 month), "Management committee support" (O7) led to an effective modification of NOP's revenue structure. In contrast, "Luxury industry" (O4) involved a longer and more intense incubation phase (i.e. 15 meetings over 6 months). While those meeting generated a rich set of ideas, none was translated into concrete action. The team progressively abandoned the topic, which progressively disappeared from the NOP meetings' agenda.

We examined the "turning point" incidents in which NOP team translated the attentional objects into concrete actions or choices and found three conditions. In the three cases, operationalization started with an action of "championing" from one actor, mostly Bernard, to lead the ideas until they become concrete. Bernard formally communicated to the team his willingness to launch concrete action. Indeed, many attentional objects experienced a progressive drop of NOP team's attention (e.g. O1, O6, O4). In those cases, we observed two distinct paths: in the first path, nobody in the NOP team brought the topic back during

discussion, leading to progressively abandon the attentional object. In the second path, Bernard brought back the topic (e.g. O1 and O6).

We observed that actions of championing appeared when the developed ideas developed found "structural support". Structural support here refers to any form of positive or supportive feedbacks and reactions from the environment or the organization: positive feedbacks for a customer (O7.3), proactive engagement from a partner (O1.5). On the contrary, attentional objects that did not meet structural support did not receive managerial support: for instance, "Technological competencies" did not complete any concretization and lost NOP team's attention when ITPartner stopped his involvement in the project.

To summarize, BM innovation required three attentional triggers: structures or channels modification, shared repertoires reconfiguration and actions of championing. Those three triggers allowed the selection and translation of attentional objects into concrete moves or choices that modified BM's characteristics.

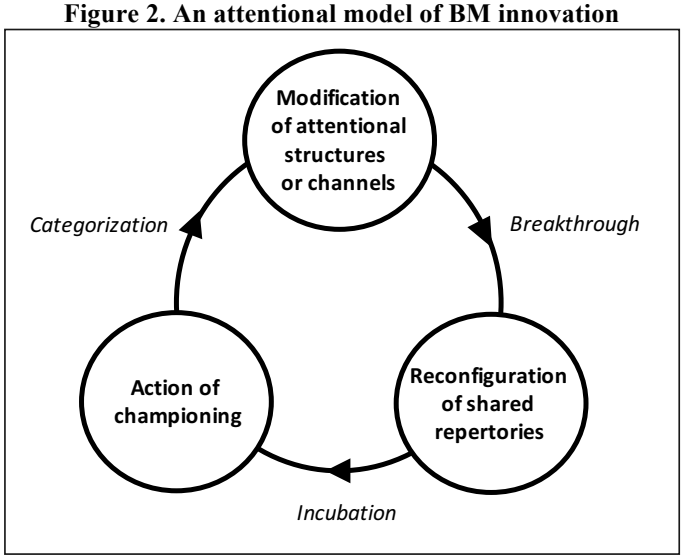
5. DISCUSSION

This study provides several contributions to literature on BM innovation and on attention. On the one hand, it responds to recent calls to explore BM innovation in established firms (Demil et al., 2015; Berends et al., 2016). On the other hand, it provides empirical and theoretical clarifications to the ABV theory.

5.1. BM INNOVATION

We contribute to enhancing understanding on business models by theorizing how attention shapes the process of BMI. Our findings reveal that BMI occurs through a succession of recurrent sequences: the modification of attentional structures or channels generates the breakthrough of a new attentional object. Then, the reconfiguration of shared repertories drives the incubation new ideas. Finally, an action of championing allows the concretization of the ideas, to translate them into concrete actions. This concretization, in turn, generates attention to new attentional objects, leading to a new attentional sequence. This succession of sequences constitutes an attentional cycle. Figure 2 represents this attentional cycle of BMI process.

Figure 2. An attentional model of BM innovation



The model of BMI's attentional cycle we highlight responds to the call for further understanding on the cognitive mechanisms through which BMI takes place (Foss & Saebi, 2016). Specifically, we highlight attention as a major driver in BM process. This attention view of BMI has several theoretical implications.

First, we depict the ongoing nature of BM innovation process. Observing this process "in real time" reveals that decisions, operations and cognitive representations are constantly evolving. Moreover, the attentional cycle that underpin the BMI process reveals an overlap between BM construction – ideation and design – and BM implementation. Indeed, while the breakthrough and incubation phases relate to BM construction, the concretization one refers to actions for operationalizing it. The temporal dynamic of the intertwined attentional sequences creates an overlap in BM construction and implementation process. Literature insights about BMI process is heterogeneous (Berends et al., 2016). Some studies underlines a sequential nature of such processes emphasizing BM design (Osterwalder & Pigneur, 2010), or considering that BM refinement followed an implementation sequence (Cortimiglia, Ghezzi, & Frank, 2015; Lehoux, Daudelin, Williams-Jones, Denis, & Longo, 2014). Our study tempers this sequential view of BMI and suggests an ongoing processual approach of BMI occurring through attentional objects processing.

Second, in line with Berends et al. (2016), we point out that cognition and action are two intertwined BM dimensions. As managerial attention both shapes and results from actions,

BM reflects the close and recursive relation between those two dimensions. Attention results from the combination of internal (e.g. cognitive repertories) and external (e.g. communicative channels or structures) determinants. Our attention-based view of BMI therefore helps reconciling two opposite conceptions of BM, as a pattern of actions (e.g. Casadesus-Masanell & Ricart, 2010) interrelated with cognitive representations (e.g. Baden-Fuller & Mangematin, 2013). In particular, this conceptual reconciliation tempers the idea that BM innovation is triggered by managerial willingness (Martins et al., 2015): in our case, most of the innovative ideas resulted from a modification of the attentional situation, which generally not intended to innovate, even when this modification happened proactively.

Finally, our case study provides some insights to understand BMI process in established firms (Arend, 2013; Demil et al., 2015). Creating a new BM can take place across established firms (Kim & Min, 2015; McGrath, 2010) which are identified as an additional challenge for BMI, specifically due to their original BM. Our study suggests a dual role of the original BM in the innovation process. It acts as a landmark during the innovation process: in some cases, it constitutes an incentive for innovation whereas in other cases, it anchors in actors' mental schemes and slows down innovation. Indeed, the original BM constitutes one of the "shared repertories" that shapes actors' attention: it drives the way they select and interpret external stimuli, according to their relevancy and congruence with existing BM. In that sense, the original BM generates a "path dependency" effect: BM innovation is tightly embedded in previous choices and pre-existing characteristics of the firm. The original BM determines the managerial thinking and influences the perception of new opportunities (Mezger, 2014) that can generate cognitive inertia for BMI (Doz & Kosonen, 2010; Sosna et al., 2010). However, the original BM also played a role of innovation driver: when perceived positively, existing BM may hold innovation back, acting as a selective filter and discouraging actors from looking outside for new ideas. Whereas perceived negatively, original BM may encourage innovation, acting a challengeable starting point to develop new solutions. Those results are consistent with Saebi et al.(2016)'s that firms are more prone to BM innovation faced threats than opportunities. Further researches on BM innovation may explore how firms label issues either as threats or opportunities (Dutton & Jackson, 1998).

5.2. FROM MANAGERIAL ATTENTION TO STRATEGIC ACTION

By examining BM innovation through an attentional lens, this study also provides insights to the ABV. Initially, the definition of attention encompasses noticing, selecting, interpreting and responding mechanisms (Ocasio, 1997). While ABV studies have built prominent knowledge on how attention is involved in noticing, selecting and interpreting issues (Madsen & Rodgers, 2015; McMullen et al., 2009; e.g. Shepherd et al., 2016; Weick & Sutcliffe, 2006), less is known about the mechanisms that generate organizational moves: ABV suggests that firm's moves directly result from managerial attention. Nonetheless, our findings highlight more complex mechanisms: paradoxically, some attentional objects were "dropped" despite the level of attention they received. Instead, managerial attention only generated concrete moves under specific conditions (e.g. championing). Those results invite further researches on ABV to consider the mechanisms that link attention to organizational moves.

Furthermore, our model of attentional sequences in BMI describe how strategic actions results from the succession of different forms of attention over time. While ABV has acknowledged the existence of different forms of attention (Ocasio, 2011), scholars have pointed out the need to better explain how firms transit from one form of attention to another (Shepherd et al., 2016). By identifying the attentional triggers of BMI, this study underlines the specific role of structures, channels, and shared repertories in the transition from one form of attention to another. While the role of shared repertories, channels and organizational structures has been suggested in the ABV model (Barnett, 2008; Ocasio, 1997), few studies have empirically examined their influence on managerial attention and action (Joseph & Ocasio, 2012). Our findings provide empirical insights to understand the role repertories, channels and structures in the fluctuation of attention.

5.3. LIMITS AND FURTHER DIRECTIONS

We investigate the process of BM innovation through a single case study: our results need further validation on other cases with different characteristics and settings. In particular, we studied a consulting firm operating in a mature sector - therefore conducive for BMI (Massa & Tucci, 2013) - a flexible structure, greater potential for generating new ideas and immaterial resources. For instance, the NOP team could develop and drop many ideas without relying on any major investment (e.g. major purchases, R&D investments, etc.). Therefore,

the innovation dynamic may vary over industries where reconfiguring BM implies important financial investments. Moreover, the financial health of the company may also influence the willingness of innovating and taking business risks (Bromiley, 1991; Makri, Lane, & Gomez-Mejia, 2006). Finally, firm size may also matter. For instance, researchers may observe different BM innovation dynamics in a large company, where many levels separate operational activities from strategic decision-making, and where units are more clearly separated.

Moreover, our study mainly was delimited by the activities and discussions that occurred within the firm: although we provide a rich understanding of what happened inside the NOP team, we presume that other attentional episodes may happen outside the firm: CEOs and managers' cognitive repertoires are also influenced by many other aspects of their professional and personal life, such as their personal network or their experience (Dane, 2013). Other analytical methods such as cognitive maps (Calori, Johnson, & Sarnin, 1994) can complete our understanding of the attentional mechanisms that underlie BM innovation.

6. REFERENCES

Amit, R., & Zott, C. 2001. Value creation in E-business. *Strategic Management Journal*, 22(6-7): 493–520.

Arend, R. J. 2013. The business model: Present and future—beyond a skeumorph. *Strategic Organization*.

Aspara, J., Lamberg, J.-A., Laukia, A., & Tikkanen, H. 2013. Corporate Business Model Transformation and Inter-Organizational Cognition: The Case of Nokia. *Long Range Planning*, 46(6): 459–474.

Atkinson, P., & Hammersley, M. 1994. Ethnography and participant observation. *Handbook of qualitative research*, 1(23): 248–261.

Baden-Fuller, C., & Mangematin, V. 2013. Business models: A challenging agenda. *Strategic Organization*, 11(4): 418–427.

Baden-Fuller, C., & Morgan, M. S. 2010. Business Models as Models. *Long Range Planning*, 43(2-3): 156–171.

Barnett, M. L. 2008. An Attention-Based View of Real Options Reasoning. *The Academy of Management Review*, 33(3): 606–628.

Berends, H., Smits, A., Reymen, I., & Podoynitsyna, K. 2016. Learning while (re)configuring: Business model innovation processes in established firms. *Strategic Organization*, 14(3): 181–219.

Brea Solís, H., Casadesus-Masanell, R., & Grifell Tatjé, E. 2015. Business Model Evaluation: Quantifying Walmart's Sources of Advantage. *Strategic Entrepreneurship Journal*, 9(1): 12–33.

Bromiley, P. 1991. Testing a Causal Model of Corporate Risk Taking and Performance. *The Academy of Management Journal*, 34(1): 37–59.

Calori, R., Johnson, G., & Sarnin, P. 1994. CEOs' Cognitive Maps and the Scope of the Organization. *Strategic Management Journal*, 15(6): 437–457.

Casadesus-Masanell, R., & Ricart, J. E. 2010. From Strategy to Business Models and onto Tactics. *Long Range Planning*, 43(2-3): 195–215.

Casadesus-Masanell, R., & Zhu, F. 2013. Business model innovation and competitive imitation: The case of sponsor-based business models. *Strategic Management Journal*, 34(4): 464–482.

Chesbrough, H. 2010. Business Model Innovation: Opportunities and Barriers, 43(2-3): 354–363.

Chesbrough, H., & Rosenbloom, R. S. 2002. The Role of the Business Model in Capturing Value from Innovation. *Industrial and Corporate Change*, 11(3): 529–555.

Corporate-NGO Collaboration: Co-creating New Business Models for Developing Markets. 2010. Corporate-NGO Collaboration: Co-creating New Business Models for Developing Markets, 43(2-3): 326–342.

Cortimiglia, M. N., Ghezzi, A., & Frank, A. G. 2015. Business Model Innovation and Strategy Making Nexus: Evidence from a Cross-Industry Mixed-Methods Study. (P. Spieth, D. Schneckenberg, & K. Matzler, Eds.)*R&D Management*, 46(3): 414–432.

Cyert, R. M., & March, J. G. 1963. A behavioral theory of the firm. *Englewood Cliffs, NJ*, 2.

Dahlander, L., & O'Mahony, S. 2016. One foot in, one foot out: how does individuals' external search breadth affect innovation outcomes? *Strategic Management …*.

Dane, E. 2013. Things Seen and Unseen: Investigating Experience-Based Qualities of Attention in a Dynamic Work Setting. *Organization studies*, 34(1): 45–78.

Demil, B., & Lecocq, X. 2010. Business Model Evolution: In Search of Dynamic Consistency. *Long Range Planning*, 43(2-3): 227–246.

Demil, B., Lecocq, X., Ricart, J. E., & Zott, C. 2015. Introduction to the SEJSpecial Issue on Business Models: Business Models within the Domain of Strategic Entrepreneurship. *Strategic Entrepreneurship Journal*, 9(1): 1–11.

Desyllas, P., & Sako, M. 2013. Profiting from business model innovation: Evidence from Pay-As-You-Drive auto insurance. *Research Policy*, 42(1): 101–116.

Doz, Y. L., & Kosonen, M. 2010. Embedding strategic agility: A leadership agenda for accelerating business model renewal. *Long Range Planning*.

Empson, L. 2013. My Affair With the "Other": Identity Journeys Across the Research-Practice Divide. *Journal of Management Inquiry*, 22(2): 229–248.

Foss, N. J., & Saebi, T. 2015. Business Models and Business Model Innovatino: Bringing organization into the Discussion. In N. J. Foss & T. Saebi (Eds.), *Business Model Innovation*. Oxford University Press.

Foss, N. J., & Saebi, T. 2016. Fifteen Years of Research on Business Model Innovation: How Far Have We Come, and Where Should We Go? *Journal of Management*, 1–28.

Giesen, E., Berman, S. J., Bell, R., & Blitz, A. 2007. Paths to success: Three ways to innovate your business model.

Glaser, B. G., & Strauss, A. L. 2009. *The Discovery of Grounded Theory: Strategies for Qualitative Research*. Aldine Transaction.

Hall, M., Mikes, A., & Millo, Y. 2015. How do risk managers become influential? A field study of toolmaking in two financial institutions. *Management Accounting Research*, 26: 3–22.

Johnson, M. W., Christensen, C. M. C., & Kagermann, H. 2008. Reinventing Your Business Model. *Harvard Business Review*, 86(12).

Joseph, J., & Ocasio, W. 2012. Architecture, attention, and adaptation in the multibusiness firm: General electric from 1951 to 2001. (R. Gulati, P. Puranam, & M. Tushman, Eds.)*Strategic Management Journal*, 33(6): 633–660.

Kim, S. K., & Min, S. 2015. Business Model Innovation Performance: When does Adding a New Business Model Benefit an Incumbent? *Strategic Entrepreneurship Journal*, 9(1): 34–57.

Langley, A. 1999. Strategies for theorizing from process data. *Academy of Management review*, 24(4), 691-710.

Lehoux, P., Daudelin, G., Williams-Jones, B., Denis, J. L., & Longo, C. 2014. How do business model and health technology design influence each other? Insights from a longitudinal case study of three academic spin-offs. *Research Policy*, 43(6): 1025–1038.

Levinthal, D. A., & March, J. G. 1993. The Myopia of Learning. *Strategic Management Journal*, 14: 95–112.

Li, Q., Maggitti, P. G., Smith, K. G., Tesluk, P. E., & Katila, R. 2013. Top Management Attention to Innovation: The Role of Search Selection and Intensity in New Product Introductions. *Academy of Management Journal*, 56(3): 893–916.

Linder, J., & Cantrell, S. 2000. Changing Business Models: Surveying the Landscape. *Accenture institute for strategic change*, 1–15.

Madsen, P. M., & Rodgers, Z. J. 2015. Looking good by doing good: The antecedents and consequences of stakeholder attention to corporate disaster relief. *Strategic Management Journal*, 36(5): 776–794.

Makri, M., Lane, P. J., & Gomez-Mejia, L. R. 2006. CEO incentives, innovation, and performance in technology-intensive firms: a reconciliation of outcome and behavior-based incentive schemes. *Strategic Management Journal*, 27(11): 1057–1080.

Martins, L. L., Rindova, V. P., & Greenbaum, B. E. 2015. Unlocking the Hidden Value of Concepts: A Cognitive Approach to Business Model Innovation. *Strategic*

Entrepreneurship Journal, 9(1): 99–117.
Massa, L., & Tucci, C. L. 2013. Business Model Innovation. In *The Oxford handbook of innovation management* (pp. 1–22). OUP Oxford.
McGrath, R. G. 2010. Business Models: A Discovery Driven Approach. *Long Range Planning*, 43(2-3): 247–261.
McMullen, J. S., Shepherd, D. A., & Patzelt, H. 2009. Managerial (In)attention to Competitive Threats. *Journal of Management Studies*, 46(2): 157–181.
Mezger, F. 2014. Toward a capability-based conceptualization of business model innovation: insights from an explorative study. *R&D Management*, 44(5): 429–449.
Naveh, E., & Erez, M. 2004. Innovation and Attention to Detail in the Quality Improvement Paradigm. *MANAGEMENT SCIENCE*, 50(11): 1576–1586.
Nigam, A., & Ocasio, W. 2010. Event Attention, Environmental Sensemaking, and Change in Institutional Logics: An Inductive Analysis of the Effects of Public Attention to Clinton's Health Care Reform Initiative. *Organization Science*, 21(4): 823–841.
Ocasio, W. 1997. Towards an attention-based view of the firm. *Strategic Management Journal*.
Ocasio, W. 2011. Attention to Attention. *Organization Science*, 22(5): 1286–1296.
Osiyevskyy, O., & Dewald, J. 2015. Explorative Versus Exploitative Business Model Change: The Cognitive Antecedents of Firm-Level Responses to Disruptive Innovation. *Strategic Entrepreneurship Journal*, 9(1): 58–78.
Osterwalder, A., & Pigneur, Y. 2010. *Business model generation: a handbook for visionaries, game changers, and challengers*. John Wiley & Sons.
Pateli, A. G., & Giaglis, G. M. 2004. A research framework for analysing eBusiness models. *European Journal of Information Systems*, 13(4): 302–314.
Rerup, C. 2009. Attentional Triangulation: Learning from Unexpected Rare Crises. *Organization Science*, 20(5): 876–893.
Saebi, T., Lien, L., & Foss, N. J. 2016. What Drives Business Model Adaptation? The Impact of Opportunities, Threats and Strategic Orientation. *Long Range Planning*, 1–15.
Schneider, S., & Spieth, P. 2013. Business Model Innovation: Towards An Integrated Future Research Agenda. *International Journal of Innovation Management*, 17(01): 1340001–34.
Shepherd, D. A., McMullen, J. S., & Ocasio, W. 2016. Is that an opportunity? An attention model of top managers' opportunity beliefs for strategic action. *Strategic Management Journal*, n/a–n/a.
Simon, H. A. 1947. Administrative behavior; a study of decision-making processes in administrative organization.
Sosna, M., Trevinyo-Rodriguez, R. N., & Velamuri, S. R. 2010. Business Model Innovation through Trial-and-Error Learning. *Long Range Planning*, 43(2-3): 383–407.
Starbuck, W. H., & Milliken, F. J. 1988. Executives' Perceptual Filters: What They Notice and How They Make Sense.
Teece, D. J. 2010. Business Models, Business Strategy and Innovation. *Long Range Planning*, 43(2-3): 172–194.
Tripsas, M., & Gavetti, G. 2000. Capabilities, Cognition, and Inertia: Evidence from Digital Imaging. *Strategic Management Journal*, 21(10/11): 1147–1161.
Tversky, A., & Kahneman, D. 1974. Judgment under Uncertainty: Heuristics and Biases. *Science*, 185(4157): 1124–1131.
Van De Ven, A. H. 1992. Suggestions for Studying Strategy Process: A Research Note. *Strategic Management Journal*, 13: 169–191.

Vaughan, D. 1999. The Dark Side of Organizations: Mistake, Misconduct, and Disaster. *Annual Review of Sociology*, 25: 271–305.

Vuori, T. O., & Huy, Q. N. 2016. Distributed Attention and Shared Emotions in the Innovation Process. *Administrative Science Quarterly*, 61(1): 9–51.

Weick, K. E., & Sutcliffe, K. M. 2006. Mindfulness and the Quality of Organizational Attention. *Organization Science*, 17(4): 514–524.

Weick, K. E., & Sutcliffe, K. M. 2008. Information overload revisited. *The Oxford Handbook of Organizational Decision Making, Oxford University Press, Oxford*, 56–75.

Wirtz, B. W., Schilke, O., & Ullrich, S. 2010. Strategic Development of Business Models. *Long Range Planning*, 43(2-3): 272–290.

Wirtz, B., Göttel, V., & Daiser, P. 2016. Business Model Innovation: Development, Concept and Future Research Directions. *Journal of Business Models*.

Zott, C., & Amit, R. 2007. Business Model Design and the Performance of Entrepreneurial Firms. *Organization Science*, 18(2): 181–199.

Zott, C., & Amit, R. 2010. Business Model Design: An Activity System Perspective. *Long Range Planning*, 43(2-3): 216–226.

Zott, C., Amit, R., & Massa, L. 2011. The Business Model: Recent Developments and Future Research. *Journal of Management*, 37(4): 1019–1042.

7. APPENDIX

Appendix 1. Compilation of "turning point" incidents

Event No.	Time	Object of attention	Event	Characteristics of managerial attention	Form of attention	Attentional trigger	Nature of the trigger	Outcomes on NOP BM
O1.1	2000 - 2011	SMEs	Bernard carries out several missions for SMEs customers	Bernard discovers a new type of customers.	Selective attention	Changing working context	Attentional structures and channels	Identification of a new demand to address: existing consulting offers do not, or inadequately, cover SMEs' needs
O1.2	2005	SMEs	Bernard's former colleague introduces him to the CEO of an IT services company (ITPartner)	Discussions with ITPartner's CEO lead Bernard to identify complementary competencies and common business interests	Selective attention	New external interactions	Attentional structures and channels	No change
O1.3	2012	SMEs	Discussions about the possibility to address SMEs segment with ITPartner	Bernard realizes that ITPartner can be a business partner	Engaged attention	Perception of external environment (partners' role)	Shared repertories	NOP's value proposition is reconsidered in order to include ITPartner's expertise.
O1.4	2012	SMEs	Meeting between Bernard and Véronique to discuss the possibility to address SMEs market with ITPartner	Bernard and Véronique (Véronique) agree on the opportunity to address SMEs market by combining Consultor and ITPartner's expertise	Engaged attention	Perception of external environment: change in focus of attention	Shared repertories	Definition of a value proposition based on "turnkey" solutions for SMEs' projects.
O1.5	2013	SMEs	Meeting with ITPartner's CEO to propose him to address SMEs market	Bernard and Véronique submit the partnership project to ITPartner's CEO (he accepts).	Translation into action	Decision-makers' impulsion	Decision-makers' attitude	ITPartner officially becomes a business partner. The CEO names a responsible to contribute to the NOP.
O2.1	2013	Management research	The researcher proposes to Bernard and Véronique to do a PhD in management research at Consultor	Bernard and Véronique are receptive to the idea of integrating academic inputs to their business. They are both familiar with this form of doctoral project.	Selective attention	Change in internal interactions (issue-selling)	Attentional structures and channels	No change
O2.2	January 2014	Management research	Launching of a Consultor internal team of consultants to develop the NOP.	The NOP team brainstorms and identifies and uses management research insights to innovate its consulting methods (new tools construction in particular).	Engaged attention	Perception of management research and collective interpretations	Shared repertories	Innovative ideas and tools for the NOP are validated.

O.2.3	Februar y 2015	Management research	The NOP team begins to construct the innovative tools and action plans for the NOP, when Bernard decides to change the priority.	Bernard explains to the team that they need to focus on prospection work (contacting clients) rather that innovations development, to quickly confront the ideas to reality.	Engaged attention	Change of focus of attention	Decision-makers' attitude	The development of innovative ideas and tools of the NOP are temporarily stopped.
O3.1	October 2013	Technological competencies	Véronique shares her contact at Softfirst – a software editor - to acquire additional technological support for the NOP.	Softfirst is foreseen as a new partner to acquire additional technological support for the NOP.	Selective attention	Change in external interactions (proactive)	Attentional structures and channels	No change
O3.2	Decemb er 2013	Technological competencies	Discussions between Bernard, Véronique, ITPartner's CEO and Softfirst's interlocutors	Technological competencies are considered as an opportunity for business development (enriching the NOP)	Engaged attention	Perception of external environment (partners' role)	Shared repertories	Softfirst becomes a partner of the NOP.
O3.3	March 2014	Technological competencies	Bernard discusses the idea of ITPartner and Softfirst technological support with a potential customer.	Partners' interventions are considered as a threat for business development (they could block the deal with potential customers).	Engaged attention	Perception of external environment (partners' role)	Shared repertories	ITPartner and Softfirst become optional elements of the NOP.
O4.1	January 2014	Luxury industry	Bernard and Véronique meet new Softfirst interlocutors to discuss of the NOP.	Softfirst interlocutors suggest to focus on SMEs of a specific industry.	Selective attention	Change in external interactions (issue-selling)	Attentional structures and channels	No change (but Consultor starts examining different alternatives of customer segments)
O4.2	January 2014	Luxury industry	A discussion between Bernard, Véronique, ITPartner's CEO and Softfirst's interlocutors leads to identify luxury industry as a good specific sector to focus on.	Focusing on a specific industry becomes an opportunity, while Bernard considered that they needed a large target.	Engaged attention	Change of focus of attention	Shared repertories	SMEs of the luxury industry becomes the NOP target.
O4.3	Decemb er 2014	Luxury industry	The NOP team faces difficulties to develop a commercial approach.	Consultor receives little support from Softfirst and ITPartner. Focalisation on luxury industry is not moved aside but slowly looses attention.	Engaged attention	Environment's feedbacks	Structure	No change (the NOP keeps focusing on SMEs from all industries)
O5.1	March 2015	IT innovation	The NOP team meets with ITPartner's CEO.	While the NOP team was supposed to lead the discussion, ITPartner's CEO takes the lead and exposes its technological innovations.	Selective attention	External interaction (issue-selling)	Attentional structures and channels	No change

O5.2	April 2015	IT innovation	The NOP team discusses about the meeting with ITPartner's CEO	The NOP team moves from considering ITPartner as a simple "option" to a real business partner. Consultor and ITPartner look for an opportunity to start a test mission.	Engaged attention	Perception of external environment (partners' role)	Shared repertories	ITPartner's innovations receive specific attention in the definition of the NOP
O5.3	July 2015	IT innovation	Bernard finds an opportunity of a test mission and contacts ITPartner's CEO. However, the CEO demonstrates little involvement.	Bernard interprets ITPartner's answer as a "confession" of opportunism and therefore decides to keep ITPartner as an optional component of the NOP.	Engaged attention	Perception of external environment (partners' role)	Shared repertories	ITPartner returns to the status of "optional component" of the NOP.
O6.1	October 2015	Functional scope	Bernard meets a former customer to present OTI's offer and get some feedbacks.	The customer shows enthusiasm but suggests to focus on a specific functional perimeter to be more efficient.	Selective attention	Environment's feedbacks	Attentional structures and channels	NOP's definition focuses on Consultor's core competencies to identify the appropriate scope.
O6.2	October 2015	Functional scope	The NOP team meets to debrief about the customer's feedbacks.	The NOP team discusses about Consultor's own competencies, how they can create value and how they fit with SME's needs.	Engaged attention	Change of focus of attention (Consultor's competencies)	Shared repertories	NOP's value proposition moves to a more specific perimeter corresponding to a main function of firms (control, accounting and finance).
O6.3	December 2015	Functional scope	Bernard names a responsible to lead an experimental project in the new specific perimeter.	The responsible manager leads the experimental project with a little team to conceptualize a panel of tools for missions.	Translation to action	Decision-makers' impulsion Integration into organizational structure	Decision-makers' attitude Attentional structures and channels	Bernard expected more leadership from the manager on the project, so there is a short period with less managerial attention on the NOP. Soon, the NOP team focus on a new subject.
O7.1	May 2016	Management committee support	The NOP team exposes the project to the rest of Consultor's team.	The NOP team receives feedbacks of new actors (other consultants). Consultor consultants discuss the relevancy of the NOP value proposition and design.	Selective attention	New modalities of internal development	Attentional structures and channels	The idea that the NOP's customers segment should be SMEs management committee receives attention.
O7.2	June 2016	Management committee support	The NOP team meets to debrief on the feedbacks they received from the rest of the team.	From the idea that management committee should be the direct target of the NOP, the NOP team reformulate SMEs' core need as to be supported in the way they organize their meetings about transformational projects.	Engaged attention	Perception of external environment (SME's main needs)	Shared repertories	The NOP's value proposition moves to SME's management committee support for all subjects related to transformational projects.
O7.3	July – December 2016	Management committee support	Consultor's management launches a series of commercial actions.	Consultor's management organizes several workshops to develop the modalities and tools of NOP's development. The NOP team starts working on commercial document and meetings with customers.	Translation to action	Decision makers' impulsion	Decision-makers' attitude	The new NOP's target is translated into commercial objectives and integrated into the team's annual objectives.

Bernard: Consultor's CEO; Véronique: Consultor's associate; ITPartner: IT services company; Softfirst: a software editor