

The Impact of Proximity on the Creation of Business Models for Innovation Intermediaries

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Introduction

The issue of proximity has grown in significance in the analysis of enterprises' strategies and their relationships with partners and competitors, or more generally with their economic and social contexts. The creation of structures devoted to the concentration of economic activities, like Poles of Competitiveness in France, Industrial Districts in Italy, Techno poles and Science Parks in Britain and Japan, or the various types of clusters that already exist around the world, has become a key item on the public policy agenda. Many other sectors, including those dealing with the environment and urban or transportation policies have since benefited from the expansion of the examination of proximity interactions. Although there has been a noticeable interest in topics relating to innovation and the knowledge-based economy, the industrial and productive dominate has remained strong. With the premise that a corporation must consider the two kinds of proximity interactions in its strategies, a significant portion of study on the various types of proximity is therefore devoted to two subjects connected, principally, to questions of entrepreneurship. As a result, several studies analyse inter-firm connections from the perspectives of local or remote collaboration and firms' linkages with other firms [1].

The term "proximity" in economic geography was first used to describe the distance between enterprises, with the co-location of firms ostensibly improving knowledge generation, knowledge flow, and learning makes the case that a more in-depth understanding of proximity is necessary in order to analytically separate the impact of closeness on the creation of new knowledge and creativity. The five dimensions of closeness identified by are cognitive, organisational, social, institutional, and geographical. Business models are viewed as epistemic tools that represent, categorise, and plan the commercial operations linking the company and the market. Business models are conceptualised as three-dimensional constructs at an abstract level. These constructs include [2].

Description

Technologies, which are used to structure product/service offerings and delivery management; (2) market offerings, which structure producer-user interactions that result in the firm's offering; and (3) network architectures, which structure the business activities of all buyers and sellers required to enable that market offering (Mason and Spring 2011). To highlight proximity difficulties, we emphasise each element's structuring function in this sentence. Our understanding of the activity of creating business models is that it is

an on-going, reflexive process that involves conscious modification of the business model aspects as a result of responses to events. A brief review of the literature is presented at the start of the paper to explain how company and market structures interact in BoP marketplaces. Then, we put forth and apply a framework for measuring business model proximity to a historical analysis of three BoP companies that have purposefully changed the way their operations are structured. Findings imply that different proximity characteristics have an influence on or are used by managers and entrepreneurs at various stages of the development of a company model. Understanding proximities aids managers in problem-solving and corporate activity reorganisation, sometimes creating new areas for market operations. The importance of insights for non-BoP scenarios is discussed in the paper's conclusion, along with an agenda for further study [3].

This article's goal is to investigate the significance of proximity in corporate relationships, both in-person interactions and remote relationships, with a special focus on creative behaviour. Additionally, we intend to evaluate the part proximity relations play in organisations' tactics, including any implications for local contacts, virtual exchanges, or the mobility of engineers and white collar workers. We'll start by providing a general definition of the various proximity relations, focusing on the three most crucial ones: temporary geographical proximity, organised proximity, and geographic proximity. After that, we'll discuss some recent developments in the theory behind and use of proximity analysis. The final section of the essay is devoted to a synthesis of the key applied research and the creation of a fundamental model of proximity relations for business firms that incorporates various kinds of proximity links, whether they are domestic or international. Then, using this model, we will analyse the internal and external relationships among the businesses in the greater Paris region's optical cluster and separate them into four categories based on how close together they are [4].

Distance is the most important factor in geographic closeness. The basic definition of distance is the distance in metres or kilometres between two entities. Additionally, it depends on the morphological features of the areas where activities occur, the accessibility of transportation infrastructure, and the financial capabilities of the users of that infrastructure. Geographical closeness is fundamentally neutral, but it can be stimulated or mobilised by the acts of economic and social actors, in this case, businesses, research facilities, or organisations. These actors' behaviours and attitudes change depending on their strategies or strategic decisions, how they perceive their environment, and how they choose to use geographic proximity. Actors may attempt to approach more closely [5].

Conclusion

To put it more explicitly, actors may be attracted to or repellent toward particular persons or locations, or they may be content with or discontent with the physical vicinity of particular people, places, or technical items. In the context of an urban region, geographic proximity can be improved, for example, by the development of localised innovation clusters or local networks of producers who exchange expertise and information through direct interactions. The logic of belonging refers to the notion that two or more actors are members of the same social network or relationship graph, regardless of whether their connections are direct or indirect. Depending on the industry in which they operate, in this situation, they pool their creative or innovative resources. It can be quantified in terms of connection levels, which represent more or less high

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levels of organised proximity and, as a result, a more or less high potential for interaction or group action. A priori, researchers and engineers who work for the same company, consortium of technologies, or innovation network will collaborate more frequently. They may be individuals who are linked together by shared interests or by a common set of cultural, religious, or other ideals or symbols. Social customs and common tongues are a feature of this structured intimacy. But it can also refer to a connection that develops between people without their having to communicate in order to get to know one another. It makes it easier for strangers who have comparable references to interact with one another. Because they speak the same language and utilise the same methods for interpreting texts and outcomes, engineers who are members of the same scientific community may work together with ease.

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Conflict of Interest

None.

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