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Contextual Expansion and New Ways of Doing Business in Pakistan: A Multi-Sited Ethnographic Study of Circularity, Mobility, Food, Health, Inclusive Fintech, and Access-Based Platforms

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Abstract

The economy of Pakistan is silently transforming structurally. These are the six value creation domains circular economy and energy, urban and peri-urban mobility, food systems, digital health, inclusive financial technology and access-based platform economies that modes of value creation are being seen that are not neatly captured by the formal-sector capitalist or informal survivalist logics that have been prevalent in enterprise in Pakistan. The findings of this multi-sited ethnographic study which took place in major cities over a period of two year (2022-2024) are presented in this paper. The study, which included a "layered" abductive approach that involved 36 in-depth interviews, over 180 hours of participant observation, documentary analysis, and cross domain synthesis, charts the contextual conditions that make each of these "new ways of doing business" sense making rather than merely the importation of digital objects from elsewhere. The results show four cross-cutting dynamics: (1) Context-sensitivity as competitive advantage; (2) Trust architectures that rely on kinship, religion and local reputation and not on formal contract; (3) The simultaneity of formalization and informality in individual ventures; and (4) The gendered geography of inclusion/exclusion within each of the four dynamics. The paper seeks to argue that all the existing theoretical approaches, ranging from institutional economics to platform capitalism scholarship need to be revisited in the context of the existing realities on ground in Pakistan.

Keywords: Contextual Expansion, Circular Economy, Digital Health, Inclusive Fintech, Access-Based Platforms, Mobility

1. Introduction

In the academic literature on innovation and new business models, geography is often used as a setting, or a background for the real story of the technological disruption to play out following universal law. Pakistan has often been included in such scenarios as a “frontier market” a term that simultaneously suggests opportunity and underdevelopment, but elides the specifics of social, historical, and institutional structures that generate the possibilities of business formation and its effects. Our notion of contextual expansion here links to a way of understanding expansion as a process that brings new business logics into being, specifically because of their adaptation to and exploitation of locally peculiar conditions. Not only is this a 'green business' brought from Northern Europe, it's an intervention in a specific ecology of landholding arrangements, water scarcity, unreliability of the electricity grid and kinship-based credit system that has no exact parallel anywhere else.

In this paper, the outcomes of a two-year study (2022-2024) on contextualization of six focus areas in Pakistan: (1) Circular economy and energy transition; (2) Mobility; (3) Food systems; (4) Digital health; (5) Inclusive financial technology; (6) Access-based platform economies are reported. Three interconnected observations motivate the study: The study is motivated by three interconnected observations: First, the formal sector is too small and too slow to welcome the additional 3.5 million youth entering the labour market annually (Pakistan Bureau of Statistics, 2023). Second, the digital infrastructure has brought a new set of technical conditions, such as the high penetration rate of mobile internet (43% as of 2024) and the mobile finance services ecosystem including JazzCash and Easypaisa. Third, cascading crises, including the devastating floods in 2022, are compelling speedy adaptation measures, such as electricity shortages and food price inflation.

2.Theoretical Positioning

Over the last ten years, platform capitalism has been the prevailing model of analysing new business models, expanding on the work of Srnicek (2017), who foregrounds the importance of digital platforms in establishing a new intermediary space between producers, consumers and labour, and how value is created through data extraction and not the direct control of productive assets. This view of platforms is not just about technology and infrastructure; its institutional nature involves the reconfiguration of markets, labour relations and value capture systems. Platformization has since been shown to be a transformation of everyday economic life that introduces algorithmic coordination, network effects, and datafication into a variety of sectors ranging from transport to finance, agriculture to retail (van Dijck et al., 2018; Kenney & Zysman, 2016). Much of this literature, however, continues to focus on the experiences in North America, Europe and China, and suggests that emerging economies are digital laggards, rather than places of transformative business model innovation driven by local institutional environments.

This paper moves away from diffusionist explanations of innovation, to explore those who have studied the subject within economic geography and postcolonial political economy, which focus on the localised processes of technological and organisational innovation. Innovation is not viewed as a process of universalization of models from “innovation-rich” to “innovation-poor” economies, but rather as a process of contextualization influenced by local infrastructures, social relations and state capacities (Bathelt & Glückler, 2011; Pollio, 2022). Digital platforms, green enterprises and financial technologies are not just copies of those from other countries in Pakistan. They come about from negotiations with informal labour markets, disjointed governance, an unstable energy supply, kinship-based financing, and unequal access to digitalization.

These are not the "legacy" constraints to modernization but rather part and parcel of the production of new business models.

The paper thus shares characteristics with more recent critiques of the universalist innovation theory, which seek to pay more attention to the "actually existing" forms of capitalism that are prevalent in the Global South (Schindler, 2017; Roy, 2009). For example, in development economics, informality is described as a stage which needs to be overcome by formalization. But, urban and economic sociology increasingly sees informality as an enduring form of economic organization that guides economic entrepreneurship, labour intermediation, and resource access (Meagher, 2018). In Pakistan, the absence of public infrastructure and regulatory institutions often is replaced by informal arrangements. Circular economy solutions like kinship networks for delivering credit when formal banking is missing, logistics via motorcycles to cover gaps in fragmented transport networks, digital wallets for delivering financial services in settings where traditional banking is underdeveloped, etc. do so. Many of the successful enterprises, therefore, gain competitive advantage not because of institutional gaps but because they are able to function in and through these gaps.

It is a key principle in sustainability research and business models, especially in terms of resource efficiency and waste minimisation, as well as regenerative production systems (Geissdoerfer et al., 2017). Much of this literature, however, is based on high income country settings, and assumes that consumers will have the capacity to purchase goods, that regulation will be stable, and that waste management systems are developed. These assumptions do not hold true in Pakistan. The various aspects of circularity – repair, reuse, resale and material recovery – have been long present in South Asian urban contexts, not in the form of environmental policy, but in the informal economies (Gregson et al., 2015). The seemingly new sustainability transition in Europe can,

therefore, be interpreted as being part of an existing survival strategy in lower income contexts. It's not about enabling circularity, but about embedding informal recycling and repair processes into viable and prosperous social and business systems.

In the literature on sustainability transitions and socio-technical systems, niche innovation has been highlighted as a key element to enable the transition of the incumbent infrastructures (Geels, 2002). However, the models of transition are typically those of reasonably coherent states and reasonably predictable regulatory environments. The situation is more complex in Pakistan where adaptation takes place in a context of chronic uncertainty such as power supply issues, climate events, price hikes, and shifting governance frameworks. In such circumstances, entrepreneurship often involves a process of improvisation and building resilience, instead of a linear technological upgrading process. For instance, the devastating flooding in 2022 pushed the exploration of new institutional approaches toward adaptation to climate change, decentralization of energy production, and technological advances in farm services through digital means.

The study also addresses the issues of digital financial inclusion. In the global development debate, financial technology (fintech) is often seen as a tool to increase economic access and alleviate poverty with the introduction of mobile payments and digital banking (World Bank, 2022). But there are also warnings about the possibility of extending surveillance, debt dependency, and platform monopoly, as part of the process of becoming "digital included" (Gabor & Brooks, 2017). In Pakistan, the digital payment platforms like JazzCash and Easypaisa have made digital payment much more accessible, particularly to those who are not banking system participants. However, gendered, illiterate, geographic and smartphone access is still present. It is important to pay attention not only to the

rate of technological uptake, but also to the social relationships in which negotiation for trust, access, and economic participation is taking place in order to grasp the nature of fintech expansion.

Lastly, the paper is part of the on-going debate on “contextual entrepreneurship” that suggests that entrepreneurial activity should be described in a relational rather than a rational manner, as in the abstract market (cf. Welter, 2011). The entrepreneurial culture is rooted in the sense of responsibility and family structures, religious practices and survival economies that influence the creation of risk-taking and opportunity taking. Situated negotiations between global technological paradigms and local institutional realities thus generate business models. The study brings a fresh perspective to the topic of contextual expansion by exploring six sectors of sustainability, mobility, food systems, digital health, fintech and platform economies and concludes that contextual expansion is not an afterthought to the imported business models but a generative process that creates new forms of economic organization.

3. Methodology

The methodological approach developed for this study draws on multi-sited ethnography (Marcus, 1995), abductive analysis (Timmermans & Tavory, 2022), and institutional comparative method. The research was conducted across six cities: Lahore, Karachi, Islamabad, Peshawar, Faisalabad, and Gilgit. Thirty-six in-depth interviews were conducted between January 2023 and August 2024. Participants were recruited through purposive sampling and snowball referrals. The study accumulated over 180 hours of participant observation across various settings, from solar installation sites to mobile health van outreach.

Table 1*Distribution of interview participants by domain and city (N = 36)*

Domain	Lahore	Karachi	Islamabad	Peshawar	Other
Circularity & energy	3	2	2	1	1
Mobility	2	3	1	1	—
Food systems	2	2	1	1	1
Digital health	2	2	2	1	—
Inclusive fintech	2	2	2	1	—
Access-based platforms	2	2	1	1	1

3.1 Analytical Framework and Ethical Considerations

The methodological principles employed in this study are multi-sited ethnography (Marcus, 1995), abductive analysis (Timmermans & Tavory, 2022) and institutional comparative method. The study was carried out in six cities namely Lahore, Karachi, Islamabad, Peshawar, Faisalabad and Gilgit.

The interviews were in-depth interviews, which were conducted from January 2023 to August 2024 and a total of 36 in-depth interviews were conducted. The subjects were selected using purposive sampling and Snowball sampling. The study involved more than 180 hours of participant observation in a variety of contexts including solar installation work and mobile health van outreach.

The main analytical logic was abductive analysis as described by Timmermans and Tavory (2022). The team did not test hypotheses that it had drawn from the existing theory, but rather evolved back-and-forth between empirical findings and theory, to the extent that findings would challenge the existing theory, new conceptualisations would be developed. All interview information has been transcribed word for word with Urdu and Pashto translated by bilingual research assistants and then re-translated to check fidelity. Initial coding was performed in ATLAS.ti 23 based on two steps: open coding resulted in 247 codes, which were then summarised under 41 more focused codes grouped into six domain-specific and four cross-domain analytical categories.

IRB approval was achieved. Written informed consent was obtained from all participants. Identities have been anonymised with the use of pseudonyms and composite descriptions where appropriate, due to certain disclosures being particularly sensitive, with respect to the financial and informal economy. All research participants were female and interviews with women participants were carried out by female researchers, with male researchers playing a role in the research team.

4. Findings

Results are presented in the different domains before an overall synthesis of the cross-cutting dynamics. In every domain, the structural context is followed by entrepreneurial responses to the specific tensions and contradictions of Pakistani instantiations as compared to generic models.

4.1 Circular Economy and Energy Transition

The circular economy is not a policy package or a context in which circular economy discussion takes place much in the way that it is done in Europe; in Pakistan it is a pressure for production given by the scarcity of energy, devaluation of currency, and the history of manufacturing, which considered waste as a cost to be absorbed rather than recovered. The peak demand of 7,000-8,000 megawatts in the 2022-2023 fiscal year and the grid electricity tariff tripled in 2021-2024 put small and medium businesses at a disadvantage, as the need to be energy efficient and more circular became an economic imperative.

Field visits to the industrial zones of Lahore (Shahdara and Kot Lakhpat) and the textile processing areas of Lahore's industrial belts, where the light engineering workshops are located, revealed an interesting informal circulation of practices that antedated any formal sustainability discourse. The workshop foreman had

established complex waste exchange networks; heat from industrial dryers was used to keep dyeing vats warm, heat from electrical transformers was collected and re-used as oil lubricant; used transformer oil was collected, refined using makeshift distillation equipment and sold as oil lubricant. All of these operators would not have claimed that they engaged in “circular economy.” The idea came, if at all, via the words of international development groups and initiatives in the form of grants.

The more successful formal enterprises in this area were able to connect these informal circular networks and the formal sources of investment funds. In Faisalabad, one entrepreneur had developed a business processing agricultural biomass (cotton stalks, rice husk and sugarcane bagasse) to produce briquettes and biochar, which were traditional fuels for brick kilns using imported coal. He had a competitive edge, not because he was technologically a novelty, but because he had established over the years relationships with networks of farmers, kiln owners, freight operators, that others outside the industry could not duplicate. Its origin is China, he said. The machine that anyone can buy, the thing that no one can buy is 20 years of rishta (relationship) with 300 farmers, who will contact me first when they have residue to sell.

The situation was more complicated for SMEs in adopting solar energy. The falling prices of panels (by around 65% between 2020 and 2024) and the introduction of net metering provisions by NEPRA regulations, had made rooftop solar economically viable for businesses having enough capital stocks or access to formal credit. Participant observation at a solar installation company in Islamabad showed that the main challenges to SMEs to adopt solar were cognitive and contractual, rather than technical and economic: business owners were having trouble assessing the long-term economic benefits of investing in capital equipment when the currency is so volatile, and the lack of standardised

lease-to-own financing packages pushed many business owners to not opt to install solar when they could afford it.

4.1.1 Key Finding:

Circularity as Survival, Formalised as Strategy

The central observation in this area is that circular economy practices in the SME sector in Pakistan are often driven by a survivalist incentive rather than by environmental consciousness, and that formalisation of circular practices as easily readable “green business” models is mostly associated with external capital – international development finance, impact investment – that makes these otherwise informal practices legible under the sustainability rubric. This progression of practice before discourse has important policy implications.

4.2 Urban and Peri-Urban Mobility

Pakistan's urban mobility problems are both an inability to provide public infrastructure and a catalyst for entrepreneurial innovation. In Lahore, Karachi and Islamabad, the formal public transport system has catered for only a small and diminishing proportion of the commuters and fares for owning a private car are prohibitive for the masses, while the two-wheeler; both motorcycle and, in increasing numbers, electric rickshaw have become the de facto transport infrastructure of Pakistani urban life.

In addition to the two-wheeler economy, Careem, Bykea, InDrive, and the myriad of local ride-hailing services, which have all adapted to the digital realm, have added digital mediation to this existing system without altering the economy's core. Motorcycle riders that registered on multiple platforms together

showed us a complex formula for "platform arbitrage" -- as they evaluated the commission rates, surge pricing algorithms, cancellation policies and weekly incentive structures of the various platforms, they made the switch between them almost seamlessly and with greater precision than the platform companies thought possible. One rider in Karachi explained to me, "Bykea gives bonus on Friday." "InDrive doesn't make a commission when you use the system to ride to an airport, I know this better than InDrive does."

The e-rickshaw segment was a very delicate one in the mobility sector. E-rickshaws were imported mainly from China and battery packs needed to be replaced every 12–18 months, charging stations were also limited to major urban centres, so the e-rickshaws had become a cheaper alternative to compressed natural gas (CNG) three-wheelers and rapidly proliferated in the peri-urban areas, especially in Lahore's growing peripheral settlements. These settlements were found to have a collective charging system for the e-rickshaws, facilitated by small shop owners who had electricity access – the shop owner received a fee and the e-rickshaw driver received the money during the day and in the evening. This informal type of energy sharing network was invisible not just to platform companies, but also to municipal planners, and constituted a form of distributed energy commons.

There was overall exclusion of women and a structural underrepresentation of them in the mobility sector. Women across all six cities reported experiences of restricted mobility across all aspects of their economic and social life – relying on male relatives for transport, not being able to use motorcycle based ride-hailing services because of safety concerns and social condemnations – and the focus on domestic or nearby work as a result. Ridership rates were low for the women who used app-based services, and not, as platform companies occasionally suggested, a matter of choice, but of infrastructure and

social norms that platform companies did little to question, let alone challenge and would even hug.

4.3 Food Systems

The losses due to wastage in agriculture in Pakistan vary from 37-40% per year, resulting not from a single failure, but from a chain of failures: poor cold chain infrastructure, small land holdings among farmers, concentration of price-setting power in the hands of arthis (commission agents), and consumer food habits formed through decades of subsidised wheat consumption and strong protein preferences. In the food field new business models are taking part in this cascade on many entry points.

The most interesting interventions seen during fieldwork were solar-powered cold storage units for smallholder collectives in southern Punjab, from the production end. These facilities, built by a Lahore-based agritech firm with some international climate finance, allowed farmers to hold on to perishables for two to four weeks after their harvest, instead of offering arthi rates at their farm gate. The business model was based on a monthly data subscription as well as a storage fee, with farmers paying for real-time data such as price alerts and market demand signals shared on WhatsApp, to help time their selling to market peaks. By the time of the fieldwork, the WhatsApp channel had developed into an informal agricultural advisory service, with farmers sharing information on pest control, weather forecasts and input prices in a network far beyond the company's intended target customers.

The food delivery companies Foodpanda, Cheetay and local rivals – had crafted a market that was far from as uniform as their marketing would imply, and was actually much more varied, primarily at the consumer end. During fieldwork at a commercial kitchen in the working-class neighbourhood of Shadbagh in Lahore, a “ghost kitchen” was found that produced five different brand identities, each catering to the different target customer segments – biryani to the poor, grilled chicken to the middle class looking for an aspirational meal, healthy eating to the gym-going middle class, and regional cuisine to nostalgic migrants from both KP and Sindh. All five were prepared in the same kitchen, with the same equipment and mostly the same personnel. It's a story where the platform sells the customer," the owner explained. I market the food – they don't have to know it's the same kitchen.

The food domain also emerged as the most vivid illustration of the simultaneity of formality and informality in a single venture in the study. An organic produce aggregator in Islamabad was more formally organized, with a registered company, a WhatsApp subscription system for a middle-class clientele, and in addition was able to source produce through an entirely informal network of periurban farmers, paid cash, with no written contracts, and whose relationship with the business was mediated by a single trusted intermediary who was effectively a kinship broker. If I formalise the farm side, then I lose the flexibility”, the founder said, “the farmers trust [the intermediary] not a contract, that scares them away”.

4.4 Digital Health

The structural gaps of an under-resourced, geographically uneven, and understaffed public health system (PH) (Pakistan Medical Commission, 2023) have provided an opportunity for telemedicine and digital health to fill in the voids that cannot be addressed by the formal public health provision. This process was accelerated by the COVID-19 pandemic, which made teleconsultation a usual practice for the population of cities where this type of medical interaction was not customary.

The platforms in this segment - Sehat Kahani, Dawaai, oladoc and several smaller players - have carved a niche for themselves in the health economy of Pakistan. They are at once directories (bridging patients and qualified doctors), marketplaces (helping patients receive their prescriptions), and even primary care providers in an environment where proximity to a competent physician is defined by hours not minutes. A hybrid model involving physical outreach with a mobile health van (with a paramedic on board and basic diagnostic tools) and telemedicine consultation on the tablet to the specialist opinion without having to travel to the city was documented by the field work with the mobile health van operator in peri-urban Peshawar. Both were necessary for the model, as the paramedic's local knowledge and community trust was the source of patient recruitment and the digital platform was the source of the specialist network.

The intersections between gender and access to digital health were predictable, and in some ways surprising. Mobility issues, the need for male guardians and cultural perceptions and taboos about certain health conditions were identified as key barriers to access to in-person health services by women across all cities, and were partly addressed through telemedicine, allowing private consultation at home. Initially, Sehat Kahani had registered as a general telemedicine company, but the most consistent demand from users was for consultations in reproductive and mental health, where the social flaws in the existing model for face-to-face consultations were most evident. This was an unintentional specialization which had profound impact on the progression of the platform's service design and physician recruitment.

Literacy, connectivity, and cultural competence posed the greatest barriers to digital health adoption. Participants in Gilgit noted that the telemedicine platforms in Urdu language were quite inaccessible to the speakers of Shina and Burushaski who are not well versed in Urdu. Majority of the rural population of the district was the population of Shina and Burushaski language speakers with limited Urdu literacy. But the platforms' implicit assumption of Urdu-literate urban users was not just a design flaw; but a systematic blind spot from Pakistani tech entrepreneurship that created the same geographic and linguistic inequalities within the realm of traditional health system.

4.5 Inclusive Financial Technology

The financial inclusion journey of Pakistan was a matter of drastic changes in the span of 2019-2024. The State Bank of Pakistan's Raast instant payment system was launched in 2021, offering a low-cost, interoperable payment rail; bill payment, insurance and micro-savings products began to be introduced by new generation fintech startups such as Oraan, Tez Financial Services, and CreditBook, who were targeting the estimated 100 million financially excluded Pakistanis, with products built around their existing financial behaviours, not against them.

The most analytically interesting of these products were those that made the committee or ROSCA system into a digital platform to enable the rotation of savings and credit. It is one of the most entrenched financial institutions in Pakistani society, present throughout all income levels and geographical regions, almost exclusively run by women and based on interpersonal trust and confidence instead of contract and collateral. The social structure of the trust (the relationships that guarantee repayment) remained outside the system of the digital committee product, while its contribution and repayment tracking functions were digitised, but under the control of the organiser of the digital committee, who is usually a woman with social capital in her community. One of the founders clarified that they did not appoint another committee aunty. "That's the credit officer, collections officer and relationship manager, and that's the accounting part that we do."

Micro-politics of digital adoption in this context was revealed during fieldwork with the committee organisers in middle-income residential colonies in Lahore. Organisers who used it found that it cut down on the administrative hassles and enhanced dispute resolution — the digital record eliminated disputes over when something was paid and had helped to mend social relations. They also said that the platform's need for participants to have registered mobile money wallets limited the older and more digitally unsophisticated members of their committees, and left organisers with a dilemma over the digital efficiency versus social inclusion. A few had established a hybrid system, whereby the core members had an online platform, but the peripherals still paid in cash, with the organiser manually keying their donations in.

The situation with agricultural credit was a different one. Although there had been a decade of policy ambition aimed at digital agricultural lending, the arthi - not because farmers preferred its terms (which were typically 20–25% effective annual interest rates built into premiums on input prices) but because the arthi's credit was quick to disburse, required no collateral paperwork, and was bundled into a marketing relationship that secured a buyer for the harvest. The bundled value proposition was difficult for fintech lenders with lower rates to join, who were asking for land records, national identity cards, and payments on fixed dates. There were the few who were making headway, which had embraced the hybrid approach – using trusted intermediaries to get input into farmers' hands rather than direct-to-farmer digital acquisition.

4.6 Access-Based Platform Economies

Theorisation around access-based consumption has been done mostly in the context of the collaborative economy in the Global North, and how it affects the relationship between access and the commons, access and ownership, and access

and labour in the era of platform capitalism (cf. Srnicek, 2017; Sundararajan, 2016). In Pakistan, access-based models have sprung up on a different pedigree— with less sharing and more affordability.

The most common access based system that was seen in the field was the renting or hire purchase of productive equipment such as solar panels, agricultural machines, small generators and sewing machines were all available in informal rental systems in all cities visited. The more innovative formal ventures were those that had the ability to package access along with service and data. In Lahore a start-up company leased commercial grade embroidery machines to the home-based workers on a fee per week basis, keeping the ownership of the machines, maintenance and collecting information about utilization and volume of orders placed, which it used to link high capacity home-based workers with the export-oriented buyers. The home workers were given access to the equipment, a market connection, and a sort of quality certification that their own sewing machines were not able to offer, but the startup got the value from the data and the buyer margin instead of the machine.

The social infrastructure access-based platforms need was brought into the fore by participant observation at a common commercial kitchen space in Karachi which is one of the many such spaces being established by small food businesses and would-be restaurant owners. Clearly, the economy of the kitchen was the commercial equipment, the food safety certification and the cold storage shared among the thirty or so tenants, at a fraction of the cost that any one would have to provide. The key to its sustainability was a carefully-designed community dynamic: the owner ran monthly meetings and enforced a code of kitchen hygiene and courtesy, and actively sought out complementary food businesses and not direct competitors. “Now, I have a kitchen, yes,” she said, “but I have a trust, too. If I don't have trust then the kitchen is only expensive equipment.”

Access-based model had its most profound conflicts in platform gig labor relations. All platforms had a new category of worker – what they called “independent contractors” which meant they were not covered by social security benefits, minimum wage laws, or occupational health requirements. The initial stages of collective bargaining were observed in the motorcycle delivery sector, where a workers' collective was formed, through fieldwork with a group of delivery riders in Lahore. It was the collective that negotiated with platform companies directly on commission rates, and accident insurance, using the threatened coordinated withdrawal, the implicit threat of which platforms are unable to withstand, thanks to their algorithmic power.

Table 2

Cross-domain summary: key contextual adaptations and tensions observed

Domain	Core Contextual Adaptation	Primary Tension Observed	Trust Mechanism
Circularity & Energy	Survival-driven informality formalised for capital access	Green framing vs. economic motivation	Relational density / kinship networks
Mobility	Platform arbitrage on pre-existing two-wheeler economy	Digital inclusion vs. gender exclusion	Platform reputation + peer networks
Food Systems	Multi-brand ghost kitchens; cold chain + WhatsApp advisory	Formalisation vs. informality simultaneity	Arthi relationships; intermediary brokers
Digital Health	Physical-digital hybrid; women-led specialisation	Language/literacy exclusion	Paramedic community trust + platform specialist
Inclusive Fintech	Digitised ROSCA; arthi-channel agricultural credit	Documentation requirements vs. informal speed	Committee organiser social capital

Access-Based Platforms	Equipment rental + data bundling; shared kitchens	Labour classification; platform dependency	Curated community; collective bargaining
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5. Cross-Cutting Dynamics

The domain-specific findings are brought together under four cross-cutting dynamics that describe contextual expansion as a unique way of business model development in Pakistan. These are not as much theoretical statements as they are analytical observations based on empirical data that offer further theoretical considerations.

5.1.1 *Context-Sensitive Shopping: The Good Old Days: Context-Sensitive Shopping: The Good Old Days:*

In each of the 6 domains, the ventures that were most successful and resilient and had gained the most market traction were the ones whose competitive edge was the most local: knowledge, relationships, and practices. The twenty years of relationships that the biomass briquette entrepreneur built with farmers, the untimely specialization of the telemedicine platform in women's health, the preservation of the social role of the committee organiser by the digital committee product — all these are examples of 'contextual lock-in', which is essential precisely in that it cannot be bought or algorithmically reproduced.

The result contradicts the prevailing notion of platform scalability, which holds that digital platforms can acquire competitive advantage by network effects and the accumulation of data, which is, in principle, context-independent. Context sensitive platform benefits seem to be most prominent in Pakistan: built around trusted local intermediaries, culturally specific financial practices, or the physical infrastructure of informal networks. These benefits must be scaled by

creating the same contextual conditions that created them, a different task than simply adding users to a network.

5.2 Kinship, Religion, and Reputation: Trust Architectures

Enforcement of formal contracts is cumbersome, costly, and not necessarily trusted in Pakistan. This structural fact has led to a long history of alternative forms of trust: kinship obligations, solidarity based on the clans (biraderi), religious obligations, and reputation in bounded social networks. These mechanisms were not superseded by the new business models documented in this study, but these new business models either took them on, either explicitly or by design constraint.

The most striking examples were from the field of fintech: the persistence of the arthi and the vitality of the digital ROSCA both showed the same point: financial behaviour is social behaviour, and that business models which try to replace algorithmic trust with social trust will always underperform when the latter works with existing social architectures. This observation is an addition to Zucker's (1986) typology of trust production (characteristic-based, process-based, and institutional-based), as it shows that when institutional trust is weak, the characteristic based and process based types of trust are not only supplementary but also primary.

A concern for the simultaneous nature of formality and informality. Attention to the simultaneous nature of formality and informality. Co-presence of formal and informal organisational logics in the same ventures, and even in the same transactions, was perhaps the most consistent ethnographic observation across the six domains. Each of them showed that the binary of formality-informality, which is used in many parts of the literature on institutional economics, misses much of the organisational reality of Pakistani enterprise,

which is both registered and informal, or ghost kitchen and digital platform, or health-related and cash-paid.

This finding is in line with the research of Chen (2006) on the informal economy, but is much more complex: we don't see informality coexisting with formality in Pakistan's new business domain, but rather active and strategic code switching between formal and informal logics as the situation requires. Entrepreneurs are also doing both at a relatively high level of sophistication; on one hand they are facing the requirements for formalization, on the other, the demands for social embeddedness.

5.4 Gendered Geography of Inclusion and Exclusion

In all the domains studied, there was a systematic difference in access, participation and benefits received between men and women, and in each domain, the nature of this difference was specific to that domain's unique intersection with the gender norms of Pakistan. In mobility, it is the fear of physical safety and social condemnation of women in the public sphere of mobility. In digital health, the same challenges that kept women from coming to the clinic also generated a demand for telemedicine, which is rare in that it's a partial solution to its own problem. In the fintech sector, women were the main operators of ROSCA system while at the same time, they were systematically barred from formal agricultural credit. Women's productive work in the home was starting to be reflected in an economy based on access, but in a way that retained the invisibility and vulnerability that characterises home-based work.

Combined, these observations point to the fact that gender is not an 'extra' issue when analysing contextual expansion, but it is an integral part of the structural conditions in which new business models are operating. In the Pakistani context, business model innovation that doesn't explicitly address

gendered exclusion will either translate the existing inequalities or fail to capture the market opportunity created by inequalities.

6. Discussion

The results presented above encourage the discussion of two areas of theory that have influenced related research on new business models, platform economies and economic development in emerging markets. We can see three areas where the Pakistani evidence needs to be radicalized or even abandoned from the current frameworks.

First, the platform capitalism literature, which is based on a different framework than the one here, and was centered around data extraction and network effects as the two key mechanisms of platform value creation, demands a considerable adaptation to the local context of Pakistan. The most successful platform ventures in the study did not primarily generate value in the process of gathering data; they generated value in the process of conducting relations in a context specific way that was mediated by digital infrastructure. This distinction—between platforms as data extraction machines and platforms as relational infrastructure—resonates with a larger discussion about the usefulness of the platform theory to the Global South (Global North; (van Doorn & Chen, 2021)), and the results of this study offer granular ethnographic substantiations for the revisionist stance.

Second, the institutional economics approach, which originated in North's (1990) work on formal and informal institutions, and has since been developed further in other emerging market papers on institutional gaps or voids (Khanna & Palepu, 2010), tends to portray informality as a gap in formal institutions, that an entrepreneur more or less manages around. The Pakistani evidence is more complicated. In many of the domains that we looked at, informality wasn't just the lack of a formal institution – it was a positive institutional form, with its own

internal governance structure, enforcement logic, and social embeddability, and entrepreneurs were actually maintaining it because it offered them capabilities that formal institutions do not.

Thirdly, the growing body of research on sustainable entrepreneurship has focused on incorporating environmental and social value creation into the design of business models (Bocken et al., 2014). What the Pakistani circular economy evidence is is both supportive and challenging to this perspective. It does this because sustainable practices are creating economic value for the ventures that have taken them up, and sometimes, a lot of value. It complicates it in that the sustainability language itself too often comes after the fact as a means to communicate the practices to outside audiences – such as impact investors, or development partners – that were born out of economic need, and not environmental intent. There is no suggestion that Pakistani circular economy initiatives are less beneficial than other circular economy initiatives that have a clear environmental focus, but rather that the metrics and incentive structures created in the Global North do not sufficiently reflect their benefits.

7. Conclusion

The aim of this paper was to investigate the phenomenon of contextual expansion, new business logics that come out as a result of intentional adaptations to local conditions in six domains of Pakistani enterprise. The output of the two-year multi-sited ethnographic study has led to a set of evidence that in various ways and in productive fashion challenges the theoretical underpinnings that tend to account for new business models and platform economies.

Three substantive conclusions are highlighted. The first point is that the most enduring competitive advantages in the new business landscape in Pakistan lie in what is most intrinsic to local knowledge, social networks and cultural

habits rather than in the novelty of technology or scale of networks. This carries a number of implications for investment strategy as well as the design of the business model – ventures that bring in already successful models from other regions without ever developing a sense of 'embeddedness' in the Pakistani social fabric will probably underperform ventures that develop embeddedness right from the start.

Second, policy frameworks for the new business sectors in Pakistan, such as the net metering guideline by NEPRA and the fintech licensing guidelines by the State Bank, are often out of sync with the type of organizational structures that are creating economic and social value. Rules developed for fully formal firms are not applicable to the informality that is used by many of the most important and socially valuable firms. Policy-bodies have yet to develop a systematic approach to policy learning to bring policy closer to organisational reality.

Thirdly, gender inequality is not an issue that can be ignored in the new business environment in Pakistan because it is an entrenched phenomenon that influences who creates new businesses, who profits from them, and who is left behind by them. Innovations to the business model that are not explicitly addressing gendered access and/or participation will always result in the continuation of the exclusion they purport to combat.

This research has some constraints for further research. The fieldwork done for urban areas will also be less represented as even Gilgit is a district capital. The two years period was enough to study the Pakistani economy ethnographically, but also captured a unique moment in Pakistan's economic history, in many ways exceptional: the period following devastating floods, an acute balance of payments crisis, and high political turbulence. It would greatly enhance the picture if those ventures could be followed for 5-10 years. The

deliberate emphasis on formal or semi-formal enterprises leaves the deepest informal sector areas of Pakistan, where most of the economic activity takes place, untouched as they have been throughout the research, largely outside the realm of the researcher's notebook.

This study does provide an in-depth account of the specific, contingent and often surprising manner in which new forms of business logics are being built in one of the most complex and consequential economies in South Asia. The geography is not scenery as it is in this tale. It is the story.

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