Do Good and Have Fun at BottleDream

Social innovation means to solve social problems through innovative and scalable ways. BottleDream does not stand at the frontier to solve a specific problem. We are a medium connecting different resources and co-creating solutions, and that’s how we promote changes.

- Kenny Cai, co-founder and President, BottleDream

Through building BottleDream as a self-sustained for-profit company, I really hope to prove we can improve the lives of others through improving oneself.

- Yeti Zhong, co-founder and CEO, BottleDream

Introduction

Established by co-founders Kenny (Yanqing) Cai and Yeti (Sheng) Zhong in 2016, BottleDream (BD) is a China-based digital platform that generates content about social innovation. Its core mission is to spread the messages of “Everyone Can Be a Changemaker” and “Do Good and Have Fun” through creating digital content and co-creating innovative social good initiatives with partner organizations. Kenny defines social innovation as “solving societal problems in innovative and scalable ways.”¹ In its year and a half of growth since 2016, BottleDream has achieved financial self-sustainability through hosting social innovation events and co-creating social innovation initiatives with renowned businesses such as Alibaba, Tencent, and Unilever. Most importantly, BD has established itself as a pioneer in China’s social innovation landscape.²

In August 2017, BottleDream (BD) was certified by nonprofit organization B Lab as China’s 5th Certified B Corporation™, joining a global movement that leverages business as a force for good and redefines business success as maximizing social impact.³ Going through the B Impact Assessment in BottleDream’s B Corp™ application process helped BD clarify its core mission and organizational structure, enabling it to realize greater social impact in the future. “Over 100

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² Cai.

This case was prepared by Yuqing (Sam) Li (NYU Shanghai ’19) for classroom instruction and is not intended as a reliable guide to effective managerial action. Any views represented here are those of the author(s) alone.
companies are applying for B Corp™ certificates right now in China. And I believe there will be a boom in the near future,” said BottleDream’s co-founder Yeti. BottleDream not only stands at the frontier of social innovation in China, but it also leads a movement to redefine ways to promote social good. As part of the booming development of social innovation in China, BD piloted a new digital platform called Social Good China (www.socialgoodchina.com), where organizations across sectors can connect and collaborate on innovative solutions to social challenges.

**Crossover of a Designer and a Storyteller**

Kenny Cai’s life revolves around innovation and creativity. This young entrepreneur—just 31 years old—has been crossing the boundaries between social work, technology, design, and entrepreneurship [over what period? for years? since a particular year?]. While studying Social Work in college in the city of Guangzhou, on China’s southern coast, Kenny was exposed to pressing social issues. This exposure provided him with the impetus to promote social good. He recalled, “My courses exposed me to various disadvantaged groups and social problems, and I realized there are so many people in need of help, and social problems waiting to be tackled. That’s why I have strong feelings about ‘social’ [issues].” But Kenny’s strong desire to do good in the world did not negate his strong passion for technology and innovation. In middle school, he had taught himself how to build websites, and he took many design classes in college. Upon graduation, Kenny further pursued design and technology when he became a UX/UI designer for China’s Internet and technology giant Tencent.

Although Kenny did not become social worker, his training in that area had a lasting impact on his tech career. After attending a social innovation event, the “Make a Difference Conference,” in Hong Kong in 2011, Kenny realized how his seemingly unrelated passions for social good and innovation might converge into a single path: social innovation through which he could create more effective solutions for complex societal challenges. Leveraging his expertise in technology and his insights about creating social good, Kenny launched www.BottleDream.com in June 2011, a personal blog in which he documented stories about innovations for social good, especially those combining social purposes with business models. BottleDream.com was the starting point for Kenny to connect with people who shared his passion for doing good in innovative and creative ways.

In 2012, the two entrepreneurs who would later create the BottleDream digital platform, Kenny Cai and Yeti Zhong, first crossed paths at a food stall in Guangzhou. Yeti had studied Chinese at Sun Yat-Sen University in Guangzhou, and she was already quite successful in the media industry. Working as a journalist at *City Pictorial* in 2012, Yeti interviewed Kenny at a late-night food stall for a special report about small “changemaker” companies. This was Yeti’s

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5 Southern Metropolis Daily, “Young Designer Kenny Cai: Contradiction is the Charm of A City,” Online Media, Tencent Culture.
6 Cai, Social Innovation Company BottleDream.
7 Cai.
8 Cai.
first exposure to Kenny’s ideas about social innovation and to his seemingly idealistic pursuit to change the world in innovative and creative ways. Although Yeti changed careers a few times after the interview—from being a journalist to eventually becoming a bookstore managing partner—Yeti kept in touch with Kenny and worked consistently as a freelance contributor to the BottleDream website. Yeti reflected, “Those people and stories about changemakers and social innovation naturally attract me, for their beautiful traits of humanity give me faith in the fundamental meaning of my own existence.” Beginning in 2013, Kenny was no longer able to dedicate much time to maintaining the BottleDream website, as he was devoting most of his efforts to his company Yi-Gather, which creates coworking spaces and communities for social innovators, start-ups and changemakers.

Wanting not to abandon BottleDream entirely, Kenny decided to find someone with both experience in media and a passion for social innovation who could manage BottleDream with him. He immediately thought of Yeti. Kenny wrote Yeti a long, sincere email. In it, he explained his vision for BottleDream to raise greater awareness about social innovation in China, and why he thought Yeti would be the perfect candidate to manage BottleDream. In 2015, after serious consideration, Yeti quit her bookstore management position in Beijing and joined BottleDream as Editor-in-Chief. After some time, Yeti and Kenny decided to transform BD from a personal blog into a digital platform covering social innovation stories from within China and abroad. They aimed at curating more original content from within China—content that would inspire Chinese millennials to engage in innovative activities to promote social good.

Doing Good by Doing Well

From 2011 to 2015, the BottleDream blog had been maintained by volunteers and freelance contributors who collaborated remotely to generate new content on BottleDream.com. Kenny recalled, “BottleDream has been a team collaborating online for five to six years; there hasn’t been a business model for a social innovation media platform.” It was not until early 2016 that Kenny and Yeti began to transform this volunteer-based site into a profitable social venture. In January 2016, Yeti and Kenny registered BD as a company. Neither Kenny nor Yeti had a clear vision of a suitable business model for this social-mission-driven organization. However, both were certain that BottleDream could soon fill the gap between the traditional nonprofit sector and the business world and encourage more-concrete social innovation actions in China.

Market Landscape

After the 8.0 earthquake in China’s Sichuan Province in 2008, China’s philanthropy landscape was rapidly transformed by increasing public demand for transparency and by innovations disrupting the traditional philanthropic sector. Kenny’s former employer, Internet giant Tencent, represented the epitome of such disruption. In 2009, when 89% of personal and corporate donations still went through China’s government-based Red Cross Society, Tencent launched two innovative products for crowdfunding on its online donation platform, Tencent.

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11 “The People Behind BottleDream: Editor In Chief, Zhong Sheng | BottleDream.”
12 Cai, Social Innovation Company BottleDream.
Charity. These technological innovations enabled nonprofits to raise funds and the general public to make donations more easily and more transparently. In addition to building digital platforms, Tencent Charity also launched a nationwide philanthropic campaign called 99 Giving Day on September 9, 2015, during which Tencent pledged to match the funds raised on the Tencent Charity site. In Tencent’s second 99 Giving Day event in 2016, 6.8 million users donated 300 million RMB in only four days. Up to 2017, more than 100 million users on the Tencent Charity site donated over 1.7 billion RMB.

Despite the success of this innovation, most philanthropic organizations or for-profit businesses still adopted conventional approaches to making positive social impact, whether through donations or corporate social responsibility programs. The gap between non-profits and for-profit businesses remained huge, without the presence of organizations that could leverage financial sustainability and social impact in China. This void later turned out to be the perfect opportunity for BottleDream. Kenny commented:

In the traditional non-profit sector, the most common way to solve a problem is fundraising or donation. Whether it is an effective and efficient solution remains a question to me. We want people to know that doing good and solving social problems is not something only driven by sympathy. It can be something cool and fun just like playing a game. The outer environment, people’s perception, resources, people’s needs are constantly changing, and therefore our solutions need to evolve.

In 2014, the BottleDream blog had covered a social innovation story about “The Drinkable Book,” a book with papers inside that could purify water. The story went viral unexpectedly and reached an audience of eight million in China. Meanwhile, more and more businesses started to look for creative ways to scale positive social impact, instead of practicing corporate social responsibility programs through donations. For instance, global consumer goods company Unilever started a sustainability initiative called “Small Actions, Big Difference” as an innovative approach to co-creating social impact initiatives with other social innovators in China. Kenny and Yeti started to recognize a market niche for organizations promoting social good in creative ways. They immediately started to leverage their resources in both the nonprofit sector and the business world to create their own innovative initiatives for social good.

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15 Liu, “Social Entrepreneurship Takes off in China.”
Positioning

We don’t position BottleDream as a company that solves a specific social problem at the frontier; yet we are here to help those organizations and initiatives for social good, through connecting them with businesses, the public, and the government. We are a content platform and a medium, not selling our products to our customers, but co-creating with our clients for something mutually beneficial.

- Kenny Cai

After registering BottleDream as a company, Kenny and Yeti positioned BD as a social innovation company that generates content and actions for social good. This strategy distinguished BottleDream from nonprofit organizations and social enterprises. One reason for this choice was that getting registered as a non-profit organization in China is a complicated process involving cumbersome government review and regulations. Another reason was that the notion of social entrepreneurship or social enterprise was still under heated debate among practitioners working in the social sector in China. “We don’t want to claim ourselves as a social enterprise because the ambiguity of this notion might arouse skepticism about BottleDream. Social enterprise has specific requirements for dividends and the distribution of profits, but the standards are very ambiguous and unclear,” Kenny explained.18 Positioning BottleDream as a social innovation company, however novel, helped BD avoid the ambiguity surrounding social entrepreneurship in China and aided the company in establishing credibility in China’s social innovation landscape.

The two co-founders also came up with “Do Good, Have Fun” and “Everyone Can Be a Changemaker” as BottleDream’s core mission and branding image. “Do Good, Have Fun” reflected Kenny and Yeti’s vision to reshape the perception that doing social good is only about donation or charity. They hoped that BD's message of “doing good” through innovation and creativity would be appealing to more people, especially millennials, across all walks of life. “We want to better communicate our social innovation message to more young people. We want to make people realize that making positive change in the society can be done through fun and creativity,” said Kenny.19 “Everyone Can Be a Changemaker” entailed Kenny’s vision of how BottleDream could create a positive impact: not by addressing a specific social problem, but by connecting organizations, people, and resources across sectors to collaborate on social-impact initiatives.

Building a Social Business Model

Starting this social enterprise is rather simple. You just have to get this company registered. Our starting capital came from fundraising for our Bottle Universe event on Tencent Foundation’s platform. We also got funds from businesses like Unilever. Essentially, this social enterprise started as we launched our first event, Bottle Universe. – Kenny Cai

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On Tencent’s first 99 Giving Day in 2015, BottleDream launched a crowdfunding campaign for its inaugural social innovation event, BottleUniverse. At this annual social innovation...
gathering, BottleDream brings together changemakers and partner organizations to amplify the impact of innovating for social good. The crowdfunding campaign, along with donations and funding from business or philanthropic partnerships, provided the crucial funding for starting BD as a for-profit company. On July 2, 2016, BD launched its inaugural BottleUniverse event and gathered a wide group interested in social innovation. Yeti commented, “BottleUniverse was launched to test whether this social venture can be profitable. Because as a company rather than an NGO, we firstly need to survive sustainably with our innovative business model, and we also have to sustainably create social impact.”

BottleUniverse was a crucial opportunity for BottleDream to test out whether there was a market demand for social innovation initiatives and whether BottleDream could be financially sustainable through co-creating social innovation initiatives with partner organizations.

Kenny and Yeti initially envisioned digital content as BD's major business stream. “At the beginning, we positioned BottleDream as a content-based media platform. We produced content about changemakers, and we established strategic partnerships with companies in various industries, such as design, sports, technology,” recalled Yeti. However, BottleDream gradually expanded its business from generating online content to scaling offline initiatives, especially through BottleUniverse events. “We create profitable value through bridging offline event[s] and creating digital content, so that more companies striving for CSR or branding are able to join us. That is how we can be profitable,” Yeti explained in an interview with 36 kr.

Today, BottleDream’s main business streams lie in generating social innovation content on its digital platforms, hosting annual BottleUniverse events, and collaborating with business partnerships on social innovation initiatives. Other business streams include a Social Good Store that introduces designs or products to promote social good and a Bottle School branch generating digital content especially for millennial subscribers. According to Kenny, “Approximately over 50% of our business is producing our content. About 20% to 40% is co-creating social innovation initiatives with businesses, but this part is closely linked with the content we’re producing. The other 10-15% is hosting offline events.” Relying predominantly on co-creating content or initiatives with businesses that care about social impact, BottleDream has already reached breakeven in terms of its financial profitability.

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The Challenge in 2016

The success of BottleUniverse in 2016 assured Kenny and Yeti that BottleDream could achieve its social mission while sustaining itself as a for-profit business. Yet in fall 2016, Kenny and Yeti were facing big challenges for BD’s strategic growth. Kenny explained:

A lot of my friends know what I’ve been doing. They would think that our deeds are good and noble. However, some people also tell me that our content about social innovation mostly comes from abroad, so it is alienated from our daily lives. That’s when we started to reflect and realize that our message about social innovation has been too narrowed. In fact, we could have talked about social innovation in a way that is more interesting and relatable to people’s everyday life.\(^{26}\)

After a very promising start, Kenny discovered that viewers on BD’s digital platforms had gradually begun to drop off and that BottleDream’s content was not as appealing as it had been. He continued:

Our categorization cannot relate to how millennials categorize social issues, and they seem to recognize social issues in different ways. This insight really shocked us, when I suddenly started to question myself: whom [have we] been writing stories for in the past year? And why wouldn’t millennials read our content if our social innovation stories are that cool?

Besides the abovementioned issue, BottleDream also faced the challenge that its main business of digital content was not generating much profit for sustaining the social venture. How could the organization better communicate its social innovation message to a wider young audience? How could BottleDream strike a good balance between sustaining profitability while scaling its social mission? Could BD have the best of both worlds: doing good and having fun?

When Kenny concluded that the major problem was a lack of connection between BottleDream’s content and the audience’s everyday life, the team soon began to reframe its content and redesign its digital platform in a different way.

We don’t write our stories in an academic or in-depth tone now, but rather explore the connection between social innovation and people’s everyday life, such as food, clothing, or travelling. We also categorize social innovation stories into different ‘for good’ categories like tech for good, fashion for good, eat for good, and so on. We connect people’s daily necessities of life with the notion of ‘for good’ and make them realize the connection of both.\(^{27}\)

While many other nonprofits still talked about social issues using terms such as education, inequality, or environmental protection, BottleDream began to frame issues such as food safety or food waste as “Eat Well,” thus making them more appealing and relatable to almost everyone.

\(^{26}\) Cai.

\(^{27}\) Cai.
Following BottleUniverse in 2016, BottleDream further explored how to build a stronger connection with its audience by co-creating the second BottleUniverse event with more notable and socially responsible businesses in China. “We propose a widely concerning social issue to the whole nation and to the whole world. On the one hand, we have 500 young changemakers that we’ve covered in our collection of social innovation content. On the other hand, we have various social resources, including businesses, government, NGOs, and the public. We invite various actors to join us, understand and respond to that social issue,” said Kenny.28

Based a theme of “No Waste, Love” in the second BottleUniverse, with online retailer Jingdong (JD.com), BottleDream co-created an ‘ugly food’ section aimed at reducing food waste. BD also collaborated with clothing brand EXCEPTION to create handkerchiefs from unused scraps of fabric from garment manufacturing. In addition, in 2017, BottleUniverse helped create an exhibition called Social Innovation Park, in which BD presented stories, organizations, creators, and exhibits of innovative social solutions. “We can co-create many initiatives that enable the audience to recognize the issue in relation to their everyday lives. That is how BottleUniverse enacts solutions for social problems.”29 Beyond covering social innovation stories online, BD addressed its challenge in 2016 by co-creating social innovation initiatives in China and building a stronger connection with its audience in more creative and tangible ways.

Where to Go Next?

BottleDream’s hybrid business model explores the viability of achieving positive social impact through business means in China. However, the model inevitably faces challenges in balancing BD’s social mission with profitability needs. What is the boundary between social impact and business success? How can BD stay true to its core mission when facing constraints of business profitability? How can BD construct a hybrid organizational identity of combining business and social goals, both within the team and towards its target audience? Kenny acknowledged, “Sometimes, we worry about whether BottleDream digs too deep into profit-making projects and becomes an advertising agency. We constantly remind ourselves to think about questions like that.”30

Moving forward, Kenny believes that BottleDream will continue to scale its social impact while existing only as a small organization. “Being a small company means the management will be open, flat, and flexible.”31 Apart from such managerial concerns, Kenny believes that “we live in a world of co-creation, and the world needs a lot of small and good companies. Different

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28 Cai.
31 Cai.
companies or teams only have to focus on their specific segment of work, and they can always connect, co-create, and cooperate with different teams.”32

Exhibit 1. Timeline of BottleDream’s Development

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 1, 2011</td>
<td>Launch of <a href="http://www.BottleDream.com">www.BottleDream.com</a>, a blog documenting innovative initiatives that promote social good</td>
</tr>
<tr>
<td>April, 2014</td>
<td>Produced an original motion graphic, <em>What is Social Innovation in 3 Minutes</em>, shared on Creative Commons</td>
</tr>
<tr>
<td>January, 2016</td>
<td><em>BottleDream</em> was registered as a company for social good. Started in Guangzhou, with only one full-time employee.</td>
</tr>
<tr>
<td>July, 2016</td>
<td>Inaugural BottleUniverse, <em>I Have A BottleDream</em>, in Guangzhou, China</td>
</tr>
<tr>
<td>July, 2016</td>
<td>Co-created with Taobao the BottleDream Social Good Store at Taobao’s Tao Festival in Shanghai</td>
</tr>
<tr>
<td>September, 2016</td>
<td>Collaborated with Tencent on the 99 Giving Day for crowdfunding creative changemaking programs</td>
</tr>
<tr>
<td>November, 2016</td>
<td>The BottleDream team relocated from Guangzhou to Shanghai. Team size expanded to ten full-time employees.</td>
</tr>
<tr>
<td>February – April</td>
<td>Co-created serial content on technology for good with Alibaba</td>
</tr>
<tr>
<td>May 2017</td>
<td>BottleUniverse II, <em>No Waste, Love</em>, in Shanghai, China. In collaboration with Food and Agriculture Organization (FAO) and LaoBan Kitchen Appliance</td>
</tr>
<tr>
<td>August 2017</td>
<td>BottleDream was certified as the 5th B Corp™ in China</td>
</tr>
</tbody>
</table>

32 Cai.
Exhibit 2. Mission Statement on BottleDream’s digital platform

BottleDream is an enterprise for social good. Established in 2011, BottleDream is dedicated to being the BEST content/program curator and disseminator focusing on Social Innovation. BottleDream has reported over 1000 stories about young ChangeMakers to 30 million readers and audiences all over the world through the Internet. BottleDream is dedicated to inspiring more young people to be ChangeMakers, helping others and themselves to promote social good and to realize their own nature.

“BottleDream 发现、创造、衍生与「创变者」有关的一切有趣内容。

We discover, create, and promote anything interesting about Changemakers.

「有意义」是BottleDream的必备选项，

「让有意义的事情有意思」是BottleDream的更高追求。

「人人都是创变者」是BottleDream的终极愿景。

Social Good is the crucial pursuit for BottleDream, Doing good and meanwhile having fun, is our dreaming goal. Everyone Is A ChangeMaker is our final vision.”
Exhibit 3. Front page of BottleDream.com
Exhibit 4. Social Innovation Park during the 2017 Bottle Universe Event