

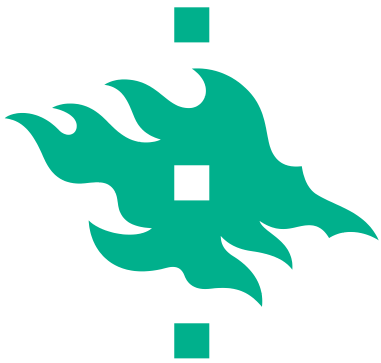


# Exploring the future use of forests in Finland: perspectives from sustainability oriented forest owners

**Liina Häyrinen, Markus Närhi, Sami Berghäll, Osmo Mattila, Anne Toppinen**  
Department of Forest Sciences, University of Helsinki

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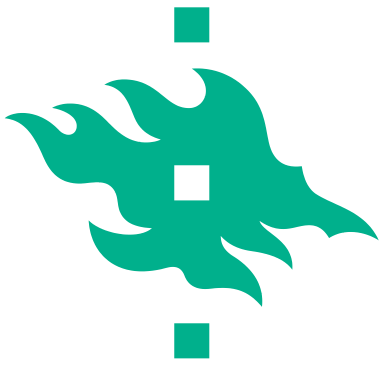


# Outline

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- **Introduction and motivation**
- **Aim of the study**
- **Research data and methods**
- **Results**
- **Summary**
- **Discussion and concluding remarks**

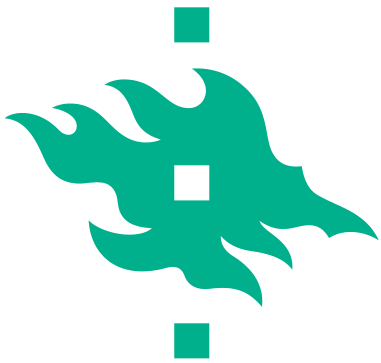




# Introduction and motivation

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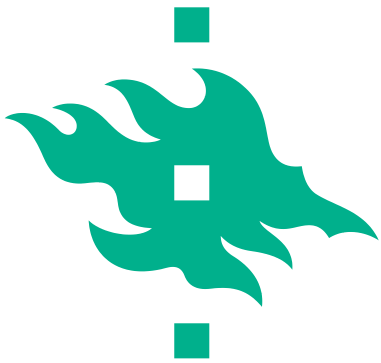
- 20,3 million ha productive forest land
- 632 000 non-industrial private forest (NIPF) owners (Population of Finland 5,4 million)
  - 345 000 private forest entities (>2 ha forests), average estate size 30 ha
  - 60% of productive forestland in Finland
  - Diverse objectives and values (e.g. Kuuluvainen et al. 1996)
  - Structural changes in private forest ownership
- The global awakening to environmental protection, the call for CSR, rapid technological development have changed forest industrial structure and significantly affected the use of forests in Finland (Hetemäki et al. 2006)



# Introduction and motivation

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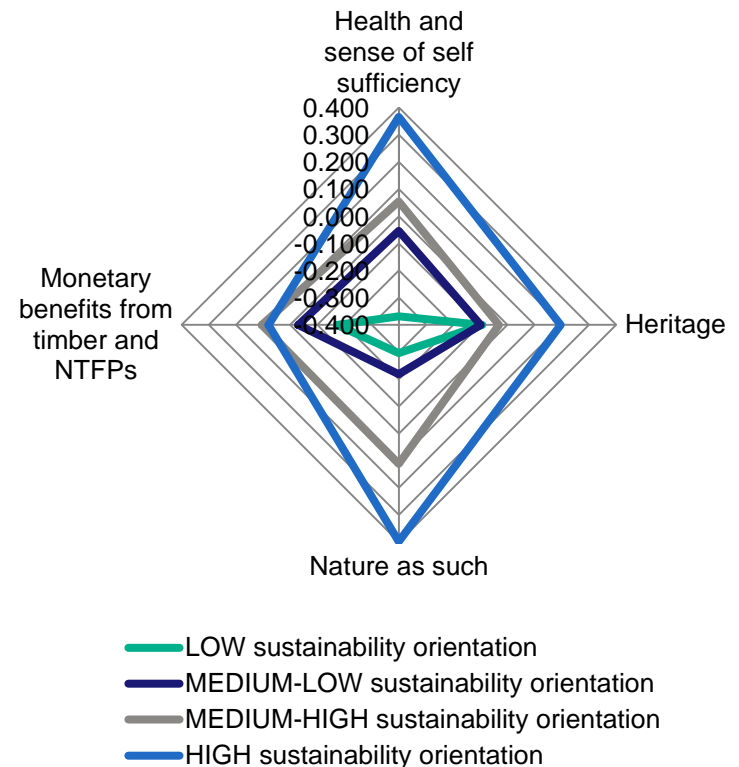
- The forest-based sector is seeking to re-invent its strategies, products, services, business models, especially in the traditionally large forest industry countries
  - Already many interesting products currently on the markets, unutilized potential and room to introduce also new products and businesses based on them (Näyhä et al. 2014)
  - Value from new sources, e.g. intangible values of forests, enhancing the role of nature-based services
  - Multiple use of forests are highlighted as e.g. conservational, recreational and spiritual values of forests have become, to an increasing extent, as a part of current paradigm on sustainable forest management → Opportunity for creating profitable business around the intangible forest ecosystem services

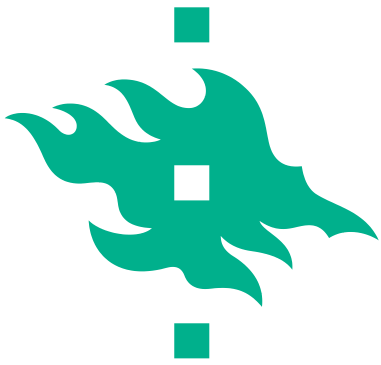


# Aim of the study

- **Objective:** Perceptions of sustainability oriented NIPF owners on the future use of forests in Finland
  - Sustainability oriented forest owners emphasize multiple benefits of forest ecosystem services more than owners who are less environmental concerned (Häyrinen et al. 2015B), n=394
    - The data was utilized to select a subsample of forest owners, a few limitations
- We hypothesize that NIPF owners have more personal connections to the forests than average people
  - Potential source for exploring the untapped value potential that could either be connected to products made of renewable resources or when creating new forest-based services?

## Different level groups of sustainability orientation depicted against the meaning of the forest factors (Häyrinen et al. 2015B)

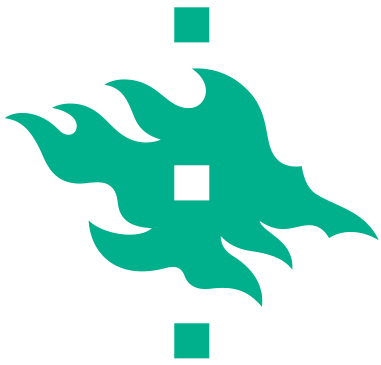




# Research data and methods

- After the preliminary selection, the qualitative research data from 4 focus group meetings in 2014, total of 17 forest owners
  - The length: 0:40 h to 1:29 h
  - Conversations were audio recorded and transcribed, led by a moderator
- The transcribed focus group citations were analyzed
  1. *Perceived importance of forests and forest ownership*
  2. *Perceptions on the current and future state of forest sector*
  3. *Visions on prospects of using forests in future*

Group	Participants	Location and date of interviews	Duration
1	3 females, 1 male, age: 29-57 years old	Helsinki 22.1.2014	1:13 h
2	4 males age: 26-67 years old	Helsinki 22.1.2014	0:40 h
3	3 males age: 42-68 years old	Hyvinkää 30.1.2014	1:29 h
4	5 females, 1 male, age: 27-58 years old	Tampere 24.2.2014	1:12 h



# 1. Perceived importance of forests and forest ownership

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- Strong emotional attachment to forestlands

*"It involves lots of emotional aspects...my grandfather planted a small birch grove back in the day about the same time that I was born so the birch grove grew with me at the same rate and at some point it was higher than me... That's the emotional bond..." (Group 4)*

- Heritage value and economic security

*"I will hold on to it (forest) , even though I know that it will cause only costs over coming years... but it is nice to think that children and grandchildren could benefit from it even though purely in economic terms." (Group 1)*

- Practical benefits from forests

- Forest as a stand more valuable than the income from selling wood

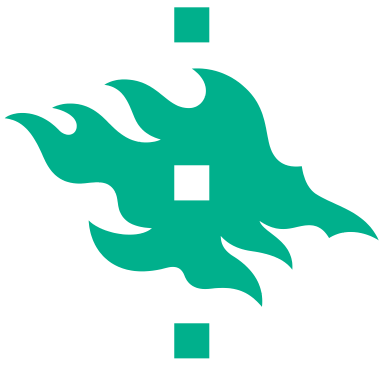
- For some owners the importance of forests and emotional bond formed through working in the forest

*"Of course I become attached to it (forests), when I work there. Then again, when one needs to cut down the large timber forest, one will grieve..." (Group 2)*

- Willingness to learn and get more information

*"...My objective is to understand something about these things that I could sell some timber and manage it properly, but I want to avoid situations, in which I have to regret something. So the idea is to understand these things better and familiarize myself with these issues." (Group 4)*





## 2. Perceptions on the current state and future of the forest sector

- Factors that inhibit the development of the sector
  - Traditional sector is too much controlled by large forest industry companies
  - Use of forest resources in Finland is orchestrated on the interests of the large companies
  - Sector in need of renewal; lack of customer and service orientation
- Clear-cuttings of forests criticized generally

*“Forests are less [biologically] diverse [today]. If we think about this issue related to the wildlife, forests should be more diverse, but it has lost because of the current forestry. There are economic values behind.” (Group 3)*

*“It is forest industry’s raw material. That’s what it is. It has been the largest industry in Finland and this is why the system exists.” (Group 1)*



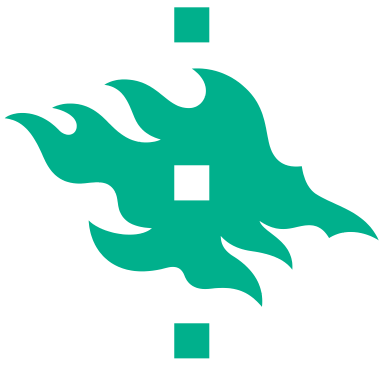
- Overall future of forest sector was still seen as positive

*“It is not a great concern, because wood is always needed a lot anyway... These other bioprojects, especially the one that they make biodiesel from pine fiber...it is a quite interesting project.” (Group 2)*

- Masculine image of the sector, female owners and new forest owners were seen as a positive aspect

*“People are more heterogeneous. Forest owners are completely different today, and they have a variety of interests compared to old days when all of them were from the countryside... there is a totally different starting point.” (Group 4)*





# 3. Visions on prospects of using forests

- The role of Finnish special nature to attract tourists

*"We have a huge reserve in nature and forests...In my opinion it is worth of investing in intangibles...If you are able to sell the atmosphere and experience...of course you need an extra trick there..." (Group 3)*

*"As I have to travel due to my work, I will have to say that we have spectacular sceneries and there is a broad potential to travel in forests, and also promote it. This is special. When I come back from China to Finland I can breathe freely again..." (Group 1)*

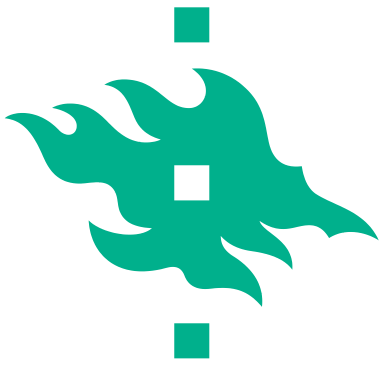


- More emphasis on developing forest based recreational services

- Health and sport related activities. e.g.
  - Creating health yoga services and path running events as enhancing health and wellbeing
  - Offroad safaris as a form of adventure tourism

*"Marathons have been very popular in recent years as well as yoga...I've been in a path running school... There is a huge potential in Finland to organize this sort of events that can be very interesting for foreigners as well." (Group 4)*





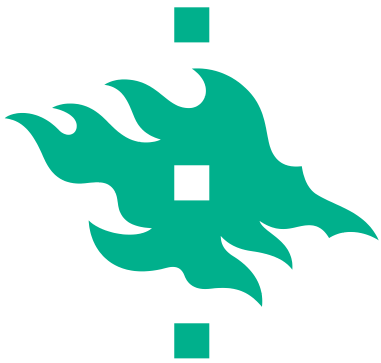
# 3. Visions on prospects of using forests

- General alienation from nature among urban population can create novel recreation-related commercial opportunities
  - *“It seems that many people in Finland have estranged from nature and forest, especially in larger cities. There would be a several kind of recreational opportunities to offer... As long as the potential would be applied.” (Group 3)*
- Converting forests to conservation areas was brought up as one of the potential uses due to carbon market
  - The majority of the owners are not likely to be willing to convert forests into conservation areas without a financial incentive → Importance of financial security and income



- Potential of value added wood products, wood buildings
  - Lead to higher revenues and competitive advantage through own expertise





# 3. Visions on prospects of using forests, challenges

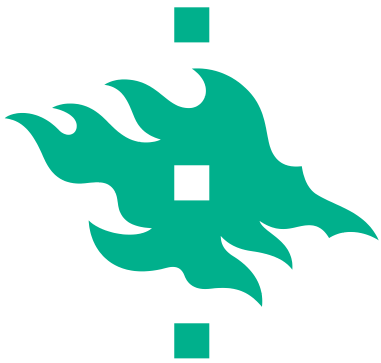
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- Further development of forest owner-based business ideas and innovations was seen to be very challenging
  - The capital intensiveness of industry was considered as the most challenging barrier for individual owners  
→ Forest owner should have a plenty of cash and good contacts in order to develop ideas any further
  - Development needs in marketing skills
  - Is there enough demand?

*“Forests offer many sort of things, but everything has costs in the beginning, so one should start with selling of the intangible experiences. One wouldn’t be so tied to the entrepreneurship. And even though the return was lower, it would be easier on a smaller scale.” (Group 3)*

*“We (Finns) are poor marketers though. We would have so many things here, we just don’t see the potential and sell it. We take all the things for granted. If we looked at the American way, these things would be completely different in this country. We have lived so modestly... Enthusiasm for marketing is lacking in general.” (Group 3)*

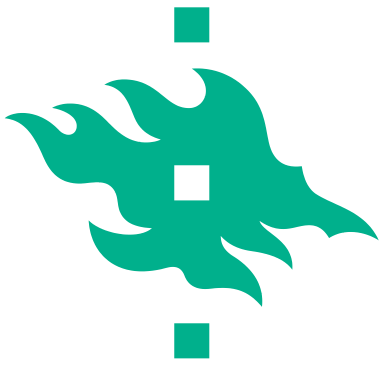




# Summary

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- Forest owner groups aware of expanding potential of the use of forests in the future
  - Voiced for and interested in more diversified opportunities of forest use in the future beyond dominant raw-material driven mindset
  - Demanded changes for forestry practices and services, emphasized the role of Finnish nature
    - E.g. nature-based tourism prospects in Finland are seen as favorable due to socio-economic changes in population and increased awareness on health and environmental issues (Sievänen 2005)
  - Future oriented, modern forest owners with multiple thoughts and objectives interested in many possibilities, willingness to learn
- Polarized views between four groups in associations to forest use, service and information needs
  - Mainly female owners in two groups →
    - Meaning of forests and new ecological utilization prospects
    - Wished for peer-to-peer learning via organized forest owner forums, wider variety of options for forest management
      - E.g. Hamunen et al. (2015) suggested more informal communication “circles” between forest owners that could lead to more innovative forest management practices
  - Only male owners in other two groups →
    - Observed and analyzed the forest sector from the practical perspective and from the basis of their own experience

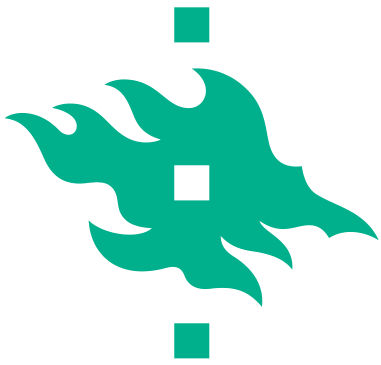


# Discussion and concluding remarks

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- Although owners might be inactive in timber markets, they can be at the same time be very dedicated to their forests and ecosystem services these provide
- Among some groups of forest owners, increasing interest in “softer” forestry practices may indicate that forests are increasingly seen as leisure-time activity rather than source of income (Mattila 2015)
- Multiple use of forests is significant in several policy agendas but the juxtaposition of timber production and intangible values seems to be still underdeveloped
  - Work to be done in creating profitable business around the intangible forest ecosystem services in the future



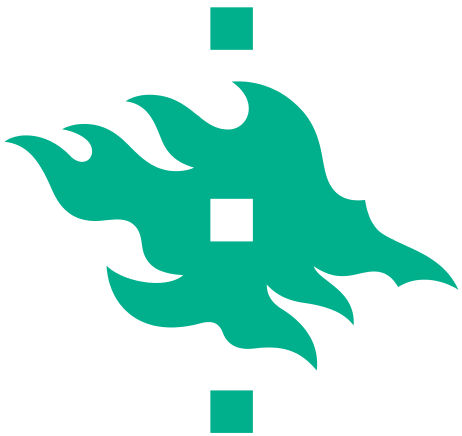


# Discussion and concluding remarks

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- In Finland, the high cost structure of the economy, natural conditions, geographical location and the development of global economy seem to emphasize rather the *know-how* than the significance of raw material processing (Hetemäki & Hänninen 2013)
- The development of Finnish forest and bio-economy shouldn't be viewed only from material, technology and processing viewpoint → Must be linked more deeply to perspective of forest related services (Hetemäki & Hänninen 2013; Näyhä et al. 2014)
- Forest owners could be involved more actively in the discussion on potential of broader forest ecosystem service provision in the future
- Need for more diverse and in-depth co-operation between political decision makers, forest owners, forest industry and research and extension organizations



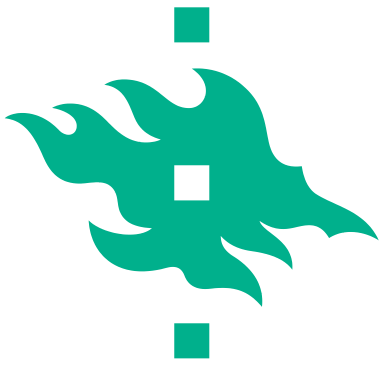


*“It will consist of several small pieces...there won’t be only one large industry, but the industry will be formed from all the little things in the future.” (Group 1)*

Liina Häyrinen  
PhD student  
Department of Forest Sciences  
P.O. Box 27  
(Latokartanonkaari 7)  
FI-00014 University of Helsinki  
FINLAND  
tel. +358 44 3404 814

# Thank you!





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