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Forest Owner Objectives as Precursors of New Customer Value Formation in Finnish Forest Sector

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Finnish forest industry is under intensive pressure to alter its ways of functioning. Especially in raw-wood procurement or raw-wood trade, the value perceptions of private industrial forest owners have changed fast. This paper reports some preliminary finding of Tekes financed FP-serve project done at University of Helsinki department of Forest Sciences. It reports some basic finding concerning the objectives of forest ownership(n=550). From an exploratory factor analysis of 22 items measuring forest owner objectives a four dimensional solution was found. This four dimensional solution consists of economic income, economic (emotional) security, esthetics (conservation), and recreational use of forestry. Thus, only one of the dimensions touches the traditional raw-wood trade incentives of forestry as a means of income. However, as traditionally forest owners are relatively old (mean 62 years), what has happened is that the oldest groups seem to have moved away from income preferences towards economic security. Meanwhile, the groups valuing most nature protection and recreational use (in line with emotional security of the forest owned) are those with the highest education. Thus, the criteria, that “forest owners do not understand their best”, is untenable. We argue that our results are in line with the servitisizing of economy where the service dominant logic (vargo & Lucsh, 2004, 2008, 2011) and intangible value (Kuusisto, 2011; Toivonen, 2010; and Ostrom & Bitner, 2009) describe the preferences – also with Finnish NIPFs.”