

The emergence of circular economy entrepreneurship

Study overview

Our sub-study aims at understanding the journey of non-existence to existence of economic activities. We focus on the “core puzzle” of entrepreneurial activities, that is, how the entrepreneurial opportunity emerges in particular in circular economy settings. Our aim is, additionally, explore how adopting a qualitative lens can help advance our understanding of circular economy entrepreneurship as a phenomenon. We, hereby, also aim to answer to the criticism of the narrow range of methodologies used to study the phenomenon as overly reliant on positivist approach and quantitative methodologies.

Our empirical focus has been on the list of startups “Kiertotalouden kiinnostavimmat” (Most interesting startups in CE) Sitra, Finnish, innovation fund, maintains. In our study consists of sub-studies focusing on the narratives of the circular economy entrepreneurs, contextual challenges the entrepreneurs face and how they are solved as well as customers and other stakeholders involved in the development of the entrepreneurial opportunity in circular economy.



Photo: Clark Tibbs/Unsplash

Sub-study – Contextual entrepreneurial challenges and solutions

Startup entrepreneurs face variety of challenges when developing their business opportunity. They also are clever in overcoming these challenges. Here are some examples.

1. Does money grow in trees? challenge

According to the startup entrepreneurs the linear economy still rules. For example, investors need to see the financial outcomes right away. This need to change this in order to achieve climate change or carbon neutral thinking. Startup entrepreneurs have turned to their customers in case there has been no finance elsewhere available.

2. How to turn ideas to business? challenge

Selling is a challenge, because buying decisions are not often made based on sustainability. The sustainability managers cannot always influence this type of decision making in their organisations. Key to survive is to let go of the ideology and serve customers and make results. Entrepreneur can offer circular economy –related products and services in addition to regular, better-known products.

3. Attitude problems? challenge

There are consumers who do not like the idea of buying something old or used. There is need to attitudinal change education. Some entrepreneurs are doing this as an extra service to the society.

4. Is legislation like a bump in a road? challenge

There is need to have legislation, because circular economy choices are not necessarily made, if it is not “must-do”. Alternatively, some of the entrepreneurs take their business to neighbouring business areas in case the legislation is not favorable in their preferred business area.

Podcast “Kiertotaloudentekijät”

If you want to know more on these themes, listen to our podcast “Kiertotaloudentekijät” hosted by the CICAT2025 researchers PhD candidate Mira Valkjärvi and assoc. prof. Kaisa Henttonen. In the podcast, we want to celebrate entrepreneurs working for circular economy. Other researchers in the group are prof. Hanna Lehtimäki and research director Ville-Veikko Piispanen.



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