

# start CIRCLES

SUSTAINABLE BUSINESS MODEL CANVAS WORKSHOP-  
Zirbenherz

## Use and marketing of stone pine wood residues (fragrance column)

The family business Zirbenherz GmbH is a furniture manufacturer (Swiss stone pine) from Austria and combines artisan tradition, wood research and health and architectural expertise, focusing on regionality and ecological production.

However, it is impossible to prevent large amounts of waste such as wood chips, shavings and sawdust from being left over during furniture production. The company wanted to add new value to these leftovers.

The goal of the business model meeting is therefore to identify and discuss alternative uses for pine wood residues.



Among other things, a demonstrator (fragrance column with antimicrobial and antioxidant effects) was produced, but other ideas will also be discussed and recorded.

### 1) Customer segments:

The customer segments identified were primarily end consumers, with different arguments addressed, such as the health argument (antioxidant & antimicrobial effect, and sleep & relaxation), ecological argument (reuse of wood residues, short value chain, trend), and an aesthetic argument (design, premium product).

### 2) Value proposition:

The value proposition was seen primarily in terms of the additional sustainable value, as well as the health value, that Swiss pine brings. On the one hand, bio-based materials (pine residues) are (re)used, which has a positive effect on the climate, which would otherwise be burned. Through this cascading use, the wood waste is given a new value. In addition, it also has social/health benefits, as the fragrance carries antioxidant and antimicrobial properties.

### 3) Social/environmental benefits:

The following social and environmental benefits have been identified: reduced scrap, waste and losses (circular economy), resource efficiency through cascade use, material savings, more sustainable input of domestic resource (Co2 neutral), customer awareness (health & environmental), new collaborations & jobs (returnable transport, holistic life cycle).

### 4) Channels:

As the customer segments are primarily B2C, the touch points are mainly in direct communication (various stores) and indirect communication (e.g. website)

### 5) Customer relations:

The company Zirbenherz has stores in several locations in Austria and therefore has a very close contact to the customers, as consultation is inevitable for sleep systems. This contact can also be used to raise awareness and sensitize the end consumer to health and ecological issues. Here it could be beneficial to bring all partners together to generate a common understanding about this knowledge dissemination.

### 6) Revenue Sources:

The following opportunities to generate revenue were discovered: the sale of the product (fragrance column) itself and the recycling of wood residues which would otherwise be burned.

## 7) Key activities:

The following key activities were identified: collection and processing of waste such as wood chips, shavings and sawdust, marketing, and possibly a service.

## 8) Key Resources:

Key resources to build the fragrance column and also to market it are business management know-how, the (new) production process, the personnel, and of course the Swiss stone pine.

## 9) Key partners:

Zirbenherz is a very regional value chain, which can achieve a strong ecological marketing effect, as it reduces transport routes, minimizes emissions and builds on regional labor and resources. The own company already contains many competences, but in the field of R&D further cooperation possibilities can arise. Another point that was discussed is that of a traceable supply chain, which can play a central role in a circular economy (does not only concern the fragrance column).

## 10) Cost structure:

The following costs were identified: Manufacturing and remanufacturing of the new production process, how to best collect wood residues? And furthermore to process them into new products (e.g. fragrance column). Production costs, costs for transport, personnel, as well as raw material costs.

## 11) Social impacts/environmental impacts:

The only potential social or environmental impacts mentioned were transport emissions and the possible lack of acceptance for the use of recycled materials, as well as a conflict of benefits between the energy and material use of the wood.



Figure 1. Business model canvas für Zirbenherz



**Next steps and open questions:**

- Identification of technical parameters for fragrance column production process.
- Creation of a common understanding of the process (among partners).
- Greater focus also on environmental awareness, in addition to health.
- Possibility and profitability of a traceable supply chain