

# Business model innovation for sustainability within the biogas context

## A project in Research for Innovation

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### Partners:

Consultants and companies within the biogas field, Innovatum Trollhättan

### Background and Motivation

Reducing climate change and facing unsustainable use of fossil fuels has lately become an important and urgent concern. Biogas technology is one of several alternatives with a great potential impact on these matters and in making the transition from fossil fuel dependency towards a society with great production and utilization of renewable fuels. Farm-based biogas production is particularly important since it contributes to sustainable development and at the same time provides farmers with an additional activity that can be integrated in the main activities of existing business. However, poor economic profitability and weak governmental subsidies has been impeding development of farm-based biogas production in Sweden, bringing the need for new innovative approaches that changes the conditions and increases the possibilities for this business.

### Research Problem and Approach

The traditional linear business model approach which aims for maximum economic profitability is resource intensive and unsustainable. Therefore business model innovation for sustainability is needed, integrating parts of society and focusing primarily on environmental- and social commitment. This enables the creation of added values that can contribute to long-term profitability of a business.

### Goals

Identify success factors and conditions that enabled the process of business model innovation for sustainability in a biogas producing network in Southwestern Sweden. People involved in the process, such as farmers and municipal employees, were interviewed for this purpose.

### Results so Far

The results showed that a long-term perspective was central for all actors, providing security and promoting development. Business focus and cooperativeness were two other aspects that were important for finding a common agenda and obtaining necessary skills, experience and influence. This study shows how innovation can create new conditions for achieving profitability in the farm-based biogas industry.



### Publications

Karlsson N, Mattsson, M. Halila F. Success factors for business model innovation for sustainability in a agricultural context: A case study of farm-based biogas production in south-western Sweden. J. of cleaner production (in preparation)

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