



Ecosystem Workforce Program

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ENGAGING BUSINESSES IN LOCAL EFFORTS TO PROTECT ECOSYSTEM SERVICES: BARRIERS AND OPPORTUNITIES

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Payments for ecosystem services (PES) is an emerging conservation strategy that provides economic incentives for the protection of ecosystem services that benefit society, such as the provision of clean air, clean water, and wildlife habitat. PES initiatives to date have largely been driven by the public and non-profit sectors, but there is increasing interest in the role that the private sector can play. One proposed approach is the development of local water quality focused PES initiatives, but questions remain over how best to engage businesses in these efforts. To address these questions, we examined the barriers and opportunities for engaging businesses in local PES initiatives.

Approach

We conducted three focus groups in 2012 with a total of 17 business owners and managers in Eugene, Oregon. Participants represented a diverse range of industries and scales (e.g. local, regional, and national) and all had local business presence. Participants were asked about their views on participation in a local PES program and how different program design characteristics would influence their willingness to participate.

Results

Barriers to business participation in local PES initiatives

Perception of PES as just another charitable cause. Participants noted that businesses are asked to contribute to numerous charitable causes on a regular basis and some struggled to understand how PES is different from making a simple donation to an environmental nonprofit. Clearly communicating the goals of the PES initiative and the value proposition to the business will be essential for overcoming this perceived barrier. One strategy cited by a participant was to present participation

in the program not as charity but as a line item on a marketing budget, “[I] guarantee the vote is ‘no’ today for another charitable donation, but... get us in somebody’s door... handing out more gift certificates or discounts for participants, I can do [that] off my desk.”

Inadequate businesses recognition. Small, local businesses were concerned that they might be overshadowed by larger businesses with greater contributions. Simply listing all business together on promotional materials and websites, however, was not seen as a desirable solution to this concern. Developing strategies to highlight participating businesses of all sizes will encourage greater investment.

Concern over justifiable expenses. Some participants expressed concern about the costs of operating a PES program and whether the ecological benefits would justify the expense. A system to quantify and report the environmental impact of the program will influence decisions to participate by providing greater accountability.

Opportunities to engage businesses in local PES initiatives

Demonstrating how businesses benefit can improve participation. Participants agreed that a PES program would need to clearly demonstrate tangible benefits for their businesses. They also suggested that they would benefit from increased exposure to the community through targeted advertising or articles in the local newspaper that would tell the business's story and why they were participating in the program. According to one participant, "people love a story, pictures, seeing people who own the business. You could run a story with us by the river. Eugene Weekly does Happening Businesses, spot advertisements seem to be really effective." Some representatives of product-oriented businesses, such as breweries and wineries, also noted the benefit of special labeling for their products.

Providing options and flexibility increases program attractiveness. Some focus group participants recommended designing programs with multiple options for business participation, such as different investment levels. Others stressed the importance of program flexibility. Examples they gave included providing customers with an option to opt in or out of small surcharges on products or services, giving discounts on watershed related products and services, or donating proceeds from promotional sales as a way to support the program while increasing business visibility. This flexibility was important to ensure that participation met business objectives. As one representative stated, "I would like to see what creative ways we could help bring awareness to this: giveaways, raffles, etc., to leverage other funds."

Active approaches to participation can increase engagement. Many participants expressed preference for more active ways of being involved with a PES program than just providing a donation. Suggestions for more active approaches included product and service giveaways, donation of labor from employees, or event sponsorship. These

approaches were preferable to some businesses because participants felt it could expand their customer base and increase their exposure in the community.

Implications

Our findings suggest that there is a real opportunity to engage businesses in the protection of ecosystem services through local PES programs. Capitalizing on this opportunity will require PES promoters to effectively demonstrate the tangible benefits that businesses receive from participation, such as greater visibility in the community and opportunities for "active" participation. Designing programs with multiple options for participation will also allow businesses flexibility to decide which approach best fits with their goals and objectives and increase overall participation. Finally, PES promoters will need to be accountable to business participants by providing transparency on how program investments tangibly affect the environment. A process for ongoing monitoring and reporting of program investments will be essential for maintaining trust and confidence in any program.



More information

The full report, "An Evaluation of Corporate Perceptions of a Payment for Ecosystem Services Program in the McKenzie River Basin" is available at: <https://scholarsbank.uoregon.edu/xmlui/handle/1794/13568>

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