

Article

Business Model Innovation for Sustainable Multifunctional Land Management in Abandoned Rural Areas: A Case Study

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Abstract: The issue of the future of abandoned agricultural land has become a prominent topic of discussion in contemporary scientific research and political discourses, especially considering the unique contribution of new-generation entrepreneurs to innovations in rural areas. The research increasingly provides evidence of how they serve as founders and catalysts of unconventional and often audacious ideas that ultimately transform abandoned areas into successful sustainable innovative business models with restored multifunctional land use. The main aim of this article is to disclose the potential of innovative business models, developed by new-generation entrepreneurs, for sustainable multifunctional land management in abandoned rural places, through the example of the “Sun Circle Camping” initiative in Lithuania. A qualitative research methodology was applied to perform an in-depth case study of a successful business model innovation for sustainable multifunctional land management in an abandoned rural area of Lithuania. The research results demonstrate how the smartly restored multifunctional distribution of abandoned land might generate durable land management practices, fulfilling the environmental, socio-cultural, and economic pillars of sustainability.

Keywords: sustainability; land functions; land management; abandoned rural areas; business model innovation; new-generation entrepreneur; Lithuania



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1. Introduction

The threatening environmental concerns of the 21st century, foreseen by Brundtland (1987) in the light of sustainability, today call for systemic actions mitigating climate change in multiple regions around the globe. The latter development trends in worldwide environmental and socioeconomic systems signal the challenges faced by the cornerstones of land ecosystem transformation [1,2]. Scholars have observed an overfocus on intensive agriculture for biomass provision (food, fibre and energy) and the diminishing role in other vital environmental (e.g., carbon pools for climate change, plant growth and health of ecosystems, biodiversity, fresh water, etc.) [1,3] and socioeconomic (i.e., cultural heritage, land treatment and related traditions, sustainable development goals, the future of the planet, etc.) functions of the land [4–6].

While the ecological theory has had issues for as long a time as humanity has existed in the need for a balanced humanity interrelationship with natural ecosystems, recent human activity has caused tremendous socioeconomic and environmental transformations that lead to threatening increased levels of land abandonment worldwide [7]. Among the biggest of today’s environmental challenges, scholars often refer to various forms of land degradation, including land abandonment, which are examined from at least three casual perspectives, i.e., economic, social and ethical, and environmental. In the most recent issue-specific literature, 17 land degradation pathways had already been identified around the globe [8], which has occurred due to significant environmental and socio-economic transformations in natural ecosystems worldwide [7].

Huge areas in Europe, especially in the Eastern part, suffer from the planned economy outcomes [9,10]—decades of intensive agricultural activity, resulting in various forms of land degradation [8,11–13], including abandonment [1,14–16]. In such areas, human intervention has already started to restore the marshes, wetlands and woods, with the final aim of saving the planet for future generations [17–19]. Other areas, especially after the destroyed socialist-planned economy with huge collective agricultural farms, have become largely abandoned rural areas, which are increasingly useless from a multifunctional land-use point of view [20–22].

Therefore, the questions about the future of abandoned agricultural land have become an increasingly addressed object of discussion in the recent scientific literature and political discourse [23]. Land abandonment is listed among the major land cover and land use changes in Europe since the 19th century [24]. There exists scientific evidence that returning to the roots, i.e., the biophysical foundations of socioeconomic systems and living in harmony with nature's cycles, might provide helpful solutions for dealing with humanity's ongoing environmental challenges with land abandonment ahead [25,26]. Therefore, the new surge in lifestyles going back-to-the-land in rural areas and the new generation rural entrepreneurs [27–30] who invent new business models for land management in abandoned rural areas, dealing with ongoing challenges and at the same time sustaining the multifunctionalism of the land, are worth in-depth scientific examination. However, up till now, this perspective has been poorly addressed in the scientific literature, especially from the point of view of in-depth-qualitative studies.

Among the most recent relevant scientific findings, the multifunctional attitude toward sustainable land management has been addressed in several research studies [31–33]. For example, some researchers [31] focused on Mediterranean rural settlements, which face multiple environmental challenges, including the annual loss of farmland, climate change threats, and increasing resource consumption and demand, particularly for energy, which is crucial for development. They highlight how these rural areas are essential for ensuring multifunctionality in terms of food security and promoting sustainable, i.e., social, economic and environmental, development. Consequently, they advocated for the key concepts of energy communities and agrivoltaics, illustrating how the use of buildings and farmland can positively influence the ecosystem and fulfil the multifunctional perspective of land management. A land-use benefit perspective was examined by Sun et al. [32], taking into account the three intersecting sustainability dimensions (i.e., environmental, social and economic) from a functional point of view: an ecosystem with its functions; a social system with its human well-being functions; and a land-use system, which goes in between with ecosystem services and goods, science, technology and social relations, land-use benefits, biophysical processes and finally, land-use management decisions. The developed model was found helpful in regional land-use planning when there was a demand for weighting limited land resources against each other. One more relevant research study [33] focussed more on the management of forest lands using multifunctional approaches, which are essential for sustaining or enhancing the provision of specific benefits while minimizing negative environmental impacts. Scholars have defined that the desired management strategy for a forest depends on various factors, including the type of forest, its ecological characteristics and the social and economic needs of local communities. According to their research results, the dominant primary forest use suitability is social, followed by protective and productive approaches. However, determining the final assignment of multifunctional uses for forest lands is complex and necessitates a thorough analysis of trade-offs among all available options in every particular case.

Another relevant study for this examination of the literature goes closer to practice and, based on the best practices from Sub-Saharan Africa, FAO, Rome and Italy, proposed guidelines for sustainable land management, and also from the three sustainability perspectives of ecological, social and economic [34]. In this study, sustainable multifunctional land management takes into account different land functions in every listed sustainability dimension. For instance, the ecological dimension values the soil, water, climate and

biodiversity functions of land; the social dimension looks at the health, gender, tradition, social and cultural functions; the economic dimension focuses on income, marketing and trade functions of land use. The intersecting sectors in between elucidate the sustainable land management outcomes: recognition of traditional and diversified land use (intersection of ecological and social functions); cultivation and commercialization of traditional foods (intersection of social and economic functions); valuation of environmental services (intersection of ecological and economic functions) and finally, the outcomes of sustainable food production as the intersection of all three land management functions. This approach helps in defining the structure and ratio of sustainable land management practice components while fulfilling the land multifunctionality paradigm.

One more important study for the background of this research [35] highlighted the land-use functions from a multifunctionality approach, which helps to assess the impact of land-use changes on land-use sustainability. Considering the dramatic changes in land use in Europe throughout the second half of the 20th century, while the changes improved human well-being and quality of life, at the same time, they caused serious environmental problems. The research highlights the need for approaches that help understand in an integrative way the environmental, societal and economic impacts that land-use changes have on sustainability. Therefore, a huge, innovative conceptual framework was developed to assess the impact of policies on land sustainability at various levels of land functions, concluding with the nine land-use functions, that help summarize the most relevant environmental, social and economic issues of a region. This framework serves for policymakers, scientists and stakeholders to identify at a glance those functions that are needed in projecting particular expected scenarios in sustainable land management. This allows the analytical links to be made explicit between multifunctional land use and sustainable development, and therefore to look at multifunctionality in land management as a way toward sustainability.

Finally, all the on-land practices are implemented by human actors. The most recent research has highlighted the special value of entrepreneurs in innovation—they act as creators and drivers of unique—and quite often crazy ideas—that turn into successful innovative business models [36–40].

The outlined studies [32,34,35], in parallel with relevant observations in new-generation rural entrepreneurship [36–40] are considered in this research as the driving background for developing a framework for innovative business models, devoted to sustainable land management in abandoned rural areas. The major research question of this study centres on the issue of whether a creative allocation of outlined multiple land functions by new-generation entrepreneurs in a particular abandoned rural area might generate potential sustainable and durable land management practices—prospective innovative business models for abandoned rural places.

The main aim of this article is to disclose the potential of innovative business models, developed by new-generation entrepreneurs, for sustainable multifunctional land management in abandoned rural places, using the example of the “Sun Circle Camping” initiative in Lithuania. A qualitative research methodology was applied to perform an in-depth case study of a successful business model innovation for sustainable multifunctional land management in an abandoned rural area of Lithuania. The analysis and systematization of the internet, social media, unpublished narrative information sources, inductive reasoning and case study methods have been applied in the search for answers to the core research question.

2. Materials and Methods

A qualitative research methodology was applied to perform an in-depth case study of a successful business model innovation for sustainable multifunctional land management in an abandoned rural area of Lithuania. As stated by some scholars [41], the case study approach is suitable when the specific following conditions are fulfilled: (a) the primary objective of the research is to elucidate the subject of study by addressing the questions

“why” and “how”; (b) it is not feasible to manipulate the behaviour of the individuals being studied; (c) the contextual factors hold significance for the research; (d) the connection between the phenomenon being studied and its context is ambiguous. The current research investigates the factors that catalysed unconventional innovation in abandoned rural area management (why?) considering the multifunctionality and sustainability (how?) of the abandoned land treatment. Specifically, it aims to explain how a project aligns with crucial factors for innovation in treating the abandoned land, considering multifunctionality and sustainability in Lithuania. Additionally, it explores why this project became a case of business model innovation dealing with the region-specific rural area of Lithuania where it was implemented. Simultaneously, it was not feasible to alter the behaviour of the participants in this study, as the project had already been executed and the outcome was readily apparent, so there was no opportunity to exert influence over the process. The consideration of context is essential in abandoned land management research as it enables the identification of the key aspects that contribute to the success of a project and the evaluation of its potential applicability to other abandoned land management issues. Furthermore, an examination of the conducted research indicated that the connection between land use functions from a multifunctionality perspective and the impact of land use changes on sustainability had not yet been investigated thoroughly using qualitative methodologies, and hence lacked clarity.

Aiming to answer the major research question, of *how* and *why* the creative allocation of multiple land functions by new-generation entrepreneurs in a particular abandoned rural area might generate potential sustainable and durable land management practices, namely, prospective innovative business models for abandoned rural places, additional research questions were formulated, as follows:

1. Why did the contextual conditions of the case under investigation accelerate to employment of the new-generation entrepreneur’s unconventional mindset and apply creativity in business model innovation for an abandoned rural area?
2. How was the novel business model created, considering the main sustainability components from ecological, sociocultural and economic perspectives, as well as business management processes?
3. Why did the conventional family farming model, which relied on agricultural production, become a more structured and sustainable commercial model with consistent revenue streams?
4. How do new-generation entrepreneurs deal with fundamental obstacles in rural business model innovation in abandoned areas?
5. Why it is important to consider the advantages and disadvantages of implementing innovative business models and running the process of offering services in rural areas?

The utilization of an explanatory case study allowed for the examination of the factors that contributed to the emergence of a new generation of rural entrepreneurs in abandoned rural areas. This approach enabled a comprehensive understanding of the intricate causes and determinants of the unconventional management of such areas, which cannot be adequately captured through surveys or experimental research methods in this particular study [41].

The case study was carried out between April and July 2023.

3. Results

3.1. Contextual Conditions Which Accelerated the New-Generation Entrepreneur to Employ Unconventional Mindset and Apply Creativity in Business Model Innovation for Abandoned Rural Area

The former village of Misgiriai, now part of Judrėnai in the Klaipėda region of Lithuania, was located in the western part of the Klaipėda marine district. It is accessible via a gravel road, 10 min from the Lithuanian national route Vilnius–Klaipėda. Misgiriai, founded by the Misgiriai noble family in the 15th century, had 136 residents in the 16th century, primarily

engaged in agriculture. The village was demolished during the Soviet era, leaving only two residents who integrated into the neighbouring Judrėnai community.

Currently, only a few farmsteads remain in the former Misgiriai area. One is owned by Rimantas Micka, a promoter of Baltic culture and the initiator of Misgiriai's revitalization. He preserves the natural and cultural heritage of the Misgiriai nobility and has established the "Sun Circle Camping" business model in the abandoned rural area. The investigated land spans over 20 hectares and is divided into sectors for various innovative business operations (see Figure 1).

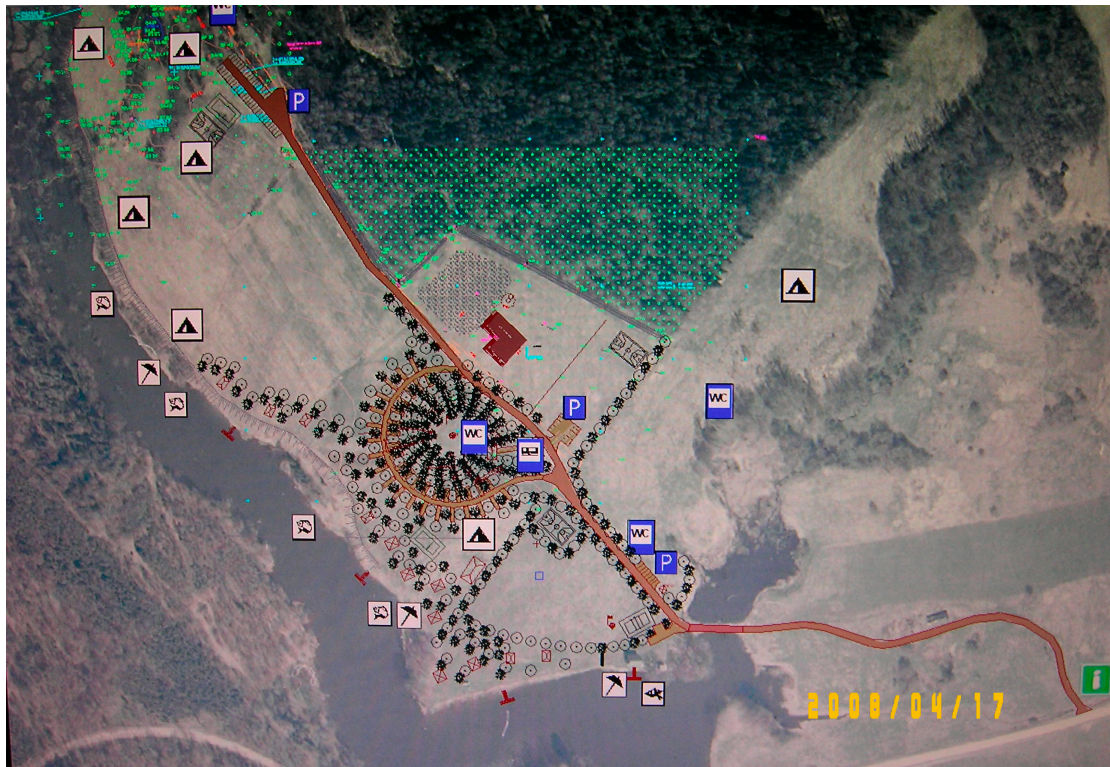


Figure 1. The distribution of different sectors at the property "Sun Circle Camping" to accommodate various operations of innovative business. Source: R. Micka's personal archive.

Between 10 and 15 hectares of the farmstead land are used for recreational purposes, catering to the owner's family and friends, and offering environmentally friendly tourism services. "Sun Circle Camping" provides facilities for about 200 tents, an event space for 1500–2000 people, and accommodation for around 60 people in eco-friendly holiday houses. Amenities include gazebos, swings, Japanese and traditional Lithuanian saunas, a conference hall called the "Iron Carp" and various water sports equipment. The area is equipped with Wi-Fi, electricity, a generator and an electric car-charging station. With no residents within 1.5 km, the campsite offers a serene natural environment.

Recreational tourism services are available from April to mid-October, showcasing the distinct beauty of each season in Lithuania. The operation of the campsite is influenced by seasonality, aligning with R. Micka's vision of a pristine and balanced ecosystem. The "Misgiriai campsite" gained official status on 7 July 2007, and in 2011, it became a rural tourism farmstead named "Misgiriai". By 2022, the site had evolved into the "Sun Circle Camping" site, fulfilling its intended purpose [42–44].

3.2. Business Model Innovation, Considering the Main Sustainability Components and Business Management Processes on an Abandoned Rural Property

Approaching the age of 40, R. Micka nurtured a desire to create a secluded space in harmony with nature, equipped with essential facilities for personal and family leisure.

With previous experience as a founder of the private house owners' community "Balsiai" (the private house suburban area, situated near Lithuania's capital, celebrating its 20th anniversary), he envisioned establishing a special space for a comfortable retreat in the Lithuanian countryside. Recognizing an opportunity near his relatives' residence in the former Misgiriai village, Micka envisioned the lagging abandoned land nearby. He purchased this deserted, unutilized, inaccessible and infertile land from the neighbours using his funds, considering this location as ideal for actualizing the preconceived notions and aspirations of creating a modern business model in harmony with nature, fulfilling the environmental, social and economic functions of sustainable land use (see Figure 2).



Figure 2. The initial satellite orthophoto of abandoned land, utilized for the entrepreneur's elaborations. Source: R. Micka's personal archive.

R. Micka envisioned a departure from traditional agricultural practices in the region, proposing the creation of a service-oriented recreational tourism venture: "Sun Circle Camping". Emphasizing visitor comfort, environmental sustainability and compliance with existing regulations, Micka collaborated with a skilled architect to conceptualize and design the campsite, starting from scratch (see Figure 2). However, Lithuanian legal restrictions prohibited recreational camping in forests. Undeterred, they opted to establish their own forest and called it the "Sun Circle Park". Trees were planted on vacant land, and they equipped the area with the necessary infrastructure, including electricity, water, parking and road access.

In 2007, the Sun Circle Park was established, and the following year, in 2008, a circular road was constructed to provide access to the impending camping site. R. Micka and his wife, drawing on their extensive experience in managing logistical challenges at campsites, designed this road based on specialized knowledge and expertise. Having gathered insights from numerous events they had attended in the past, they recognized the importance of convenient car parking and accessibility. Their design incorporated an elliptical structure to facilitate easy entry, parking and exit for cars and campervans, thereby minimizing traffic congestion and ensuring a smoother camping experience. The Sun Circle Park was

established using the *geoglyph* technique, depicting the Sun's celestial body with seven rays (see Figure 3).



Figure 3. Geoglyph-technique-based Sun Circle Park. Source: R. Micka's personal archive.

At the heart of the Sun Circle Park stands a magnificent altar, once adorned with a ceremonial bonfire, symbolizing the Sun. Encircling this central area are benches, with groups of trees arranged in seven rings, representing the orbits of planets around the Sun. Birch and spruce trees, chosen for their symbolic significance in Lithuanian folklore, adorn the park, representing masculinity and femininity, respectively. Their contrasting colours throughout the seasons create a striking pattern, emphasizing the Sun's presence. Each ring corresponds to a planet's orbit, with birch trees dominating the innermost ring, symbolizing Mercury, while campervan sites are located in Jupiter's orbit. The layout of the park, including the ring road and parking lane, mirrors the orbits of Saturn and its satellites. The mature birch and spruce trees, arranged in curved patterns, resemble a grand mandala, adding to the park's visual appeal and symbolic significance (see Figure 4). The evolution of Sun Circle Park's landscape is not only observable from ground level, evidenced by the presence of the hang glider, but also from aerial images captured from orbit. While the trees continue to mature, additional infrastructure is being developed concurrently.

In 2009, the "Fairies' House" was built using frames, compressed straw kitchens and clay plaster, providing a serene retreat for family relaxation. Recognizing the demand for larger gatherings, an additional barn-style structure named the "Iron Carp" was erected two years later, equipped to host conferences, family festivities and overnight stays for up to 40 individuals. As time passed, the founders witnessed the flourishing of trees and the maturation of stocked fish, attracting nature enthusiasts drawn to the principles of nature preservation. In 2015, the first electronic music festival marked a milestone, showcasing the campsite's infrastructure and captivating surroundings. Since then, "Sun Circle Camping" has become a hub for various events, including festivals, family celebrations, conferences and camps, with the support of local communities and businesses. Despite the growing number of visitors and events, the founders' initial vision and expertise have proven successful, with the campsite well-equipped to accommodate gatherings of up to 1500 participants while offering personalized assistance and guidance to event organizers.

Gradually, through the founders' own financial resources, expertise and support from family members, the focus shifted from agricultural production to recreational tourism services. Recreational areas were meticulously developed on the territory, prioritizing the preservation of natural assets and guest privacy. The design emphasized a harmonious

relationship with nature, exemplified by selective grass cutting to promote natural flowering and seed rejuvenation, providing food for wildlife during winter months. The expansive territory includes a 6-hectare pond and a 1-hectare swamp with flooded meadows, maintaining the fauna's natural cycle. Surrounding the farmstead is a fully enclosed space, bordered by water bodies and forests, ensuring a constant feeling of safety and harmony with the environment.



Figure 4. The contrasting objects of the Sun Circle Park encompass the mandala. Source: R. Micka's personal archive.

The founders' primary goal was to preserve the natural environment and cultural history of the farmhouse while sustainably integrating modern conveniences. Currently, "Sun Circle Camping" offers visitors an uncrowded environment to fully immerse themselves in nature's beauty and vitality, with a focus on sustainable practices such as solar energy for electricity and water heating, construction of vacation cottages and saunas using straw and clay and the installation of solar-powered charging stations for electric vehicles.

3.3. Transitioning from a Conventional Family Farming Model That Relied on Agricultural Production to a More Structured and Sustainable Commercial Model

The transition from traditional family farming to service-oriented ventures was primarily driven by economic factors. R. Micka and his family initially assisted relatives on a traditional agricultural farm near the former Misgiriai settlement, where villagers struggled to sustain their way of life. Recognizing the need for a more viable economic model, Micka aimed to break free from traditional farming and establish a leisure-oriented nature-based tourism business, offering stability and respect for families in the rural area. Before introducing recreational tourism services, the relatives attempted commercial carp cultivation, but faced challenges. They subsequently shifted to recreational fishing amenities based on the conservation principle of "Catch it, take a photo together, and release it!" Despite initial resistance from local residents in the Žemaitija region, known for their resilient and stubborn nature, the new approach gradually gained acceptance. Over sixteen years, the "Sun Circle Camping" business model matured, providing various recreational nature-based tourism services (see Figure 5) and generating income streams.

Services for renting vacation homes. The founders of the resort have expanded their vacation house rental services to meet evolving tourist preferences. Four distinct categories of vacation residences cater to diverse needs. "Numėja Village" comprises secluded POD-type houses set on a spacious plot, offering privacy for individuals or families. Named after the Lithuanian deity Numėja, these houses provide access to communal amenities and additional facilities like hot tubs and rental equipment for outdoor activities. The "Family

House” is a mobile dwelling designed for smaller parties seeking a cozy rural retreat. It features essential amenities and outdoor facilities, including a patio with furnishings, barbecue and beach area. Constructed with environmentally friendly materials, the “Fairies’ House” accommodates families with young children and offers exceptional thermal insulation. It includes fully equipped indoor and outdoor amenities for a comfortable stay. The rustic “Iron Carp” banquet hall is suitable for events and overnight stays, with indoor and outdoor facilities provided. Collaboration with the nearby community art group offers entertainment options for guests.

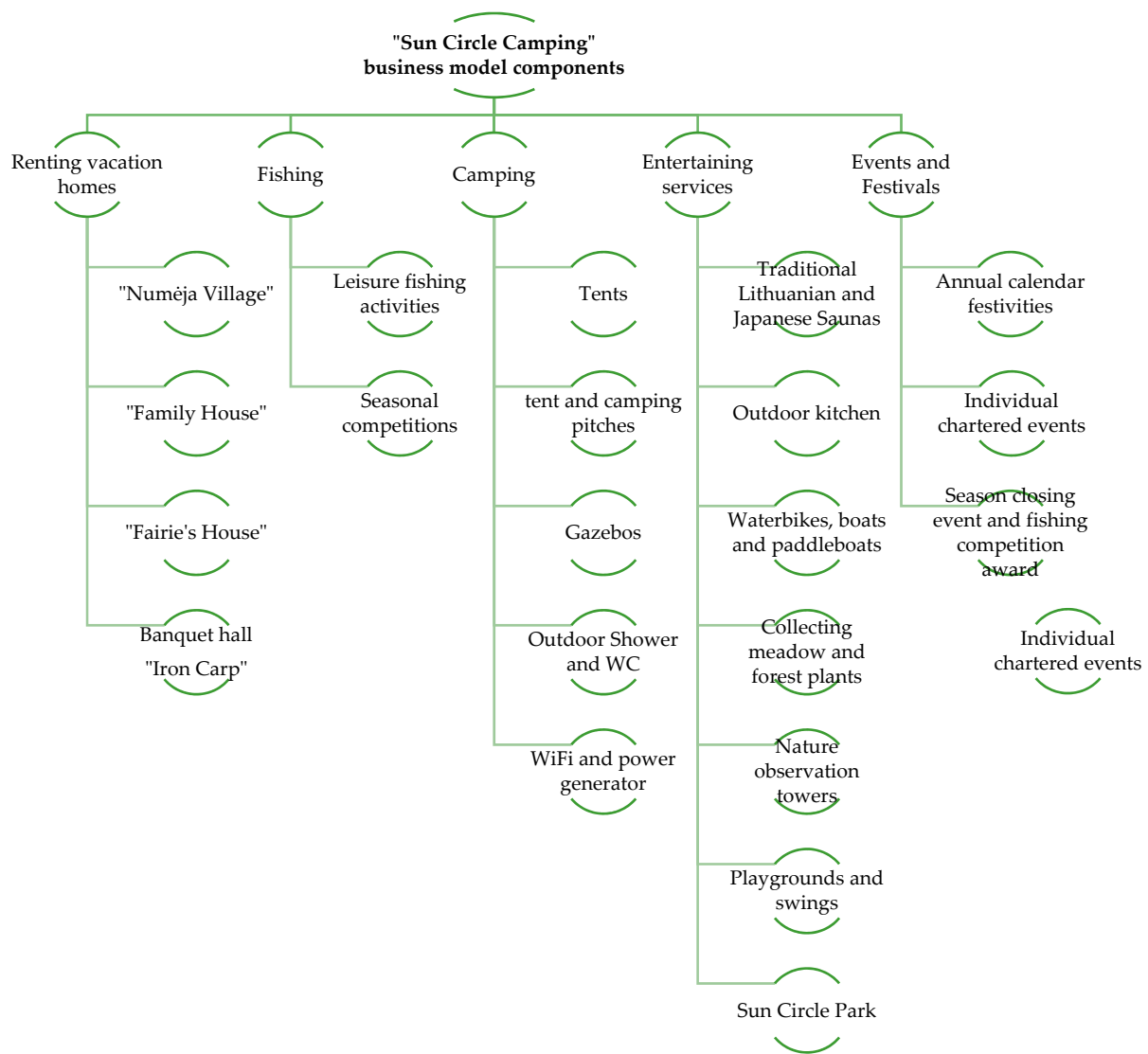


Figure 5. The components of the “Sun Circle Camping” rural business model.

This diverse range of vacation residences ensures that guests can find accommodation tailored to their preferences, whether seeking privacy, coziness, environmental sustainability, or event hosting capabilities.

Services for leisure fishing activities. Since its inception, the campsite has emphasized fishing as a primary activity, initially focusing on industrial carp in the pond. However, as carp became more evasive over time, a self-contained biosphere concept was introduced, stocked with a diverse range of fish species. Today, the 6-hectare pond boasts 15 flourishing fish species, replenished biannually. Guests are encouraged to practice responsible recreational fishing by adhering to ethical guidelines and participating in fishing contests.

The winners of these contests are rewarded with accommodation in the “Fairies’ House” for a night, providing a unique experience for the angler and their family.

Camping services. Since its inception, “Sun Circle Camping” has focused on providing tented camping services, with ample space available for hundreds of tents. Since families increasingly seek wilderness experiences to connect with nature, creating lasting memories of outdoor adventures, the campsite started offering diverse amenities including titled gazebos, tent spaces, solar-heated outdoor showers and toilet facilities, along with fishing sectors and observation towers for anglers. Guests currently can enjoy outdoor cooking facilities, recreational areas with a basketball court and swings and assistance in selecting suitable camping locations. Additionally, the campsite accommodates caravans and motorhomes, providing water, electricity and wastewater facilities, while nearby attractions offer opportunities for exploration in the western region of Lithuania.

Entertaining services. The founders of “Sun Circle Camping” have curated a range of enjoyable services to cater to their visitors’ leisure time. The “Fairies’ House” features a Lithuanian sauna for relaxation and well-being, while a Japanese sauna offers a touch of exoticism and communal gathering. Culinary enthusiasts can enjoy a gourmet outdoor kitchen for experimenting with various cooking methods, including BBQ and smoking. Guests can explore the pond via conventional boats, paddleboards or water bikes, while also participating in the ancient Lithuanian tradition of gathering mushrooms, berries and herbs. The campsite offers playgrounds and activities such as football, basketball and target shooting for visitors of all ages to stay active and engaged.

Events and festivals. “Sun Circle Camping” has evolved into a sought-after destination for both tranquil getaways and large-scale events, boasting a capacity to host up to 1500–2000 individuals. Over the years, the proprietors have organized various annual celebrations and fishing competitions, while also accommodating private events such as seminars, company meetings and music festivals. With continuous improvements to the infrastructure, the campsite now offers a range of amenities including tent spaces, holiday homes, saunas, boats and water sports equipment. Nestled in a secluded area, the farmstead provides an isolated atmosphere ideal for hosting events. A notable highlight is the “PREMA—Tantra and Music Festival”, attracting over 500 participants annually for a week-long gathering focused on self-discovery, education and health. This alcohol-free event features vegan cuisine, lectures, workshops and a vibrant atmosphere of harmony and joy amidst nature, reminiscent of countercultural movements from the 1970s [45].

3.4. Addressing the Fundamental Obstacles in Rural Business Model Innovation

The evolution of “Sun Circle Camping” from a traditional agricultural farm to a nature-based tourism destination was marked by a series of challenges and innovative solutions. Transitioning away from agricultural practices required a fundamental shift in mindset and approach, as the founders embraced recreational fishing services and reimagined the restoration of the multifunctional use of land, and at the same time, treating it as a space for leisure and exploration.

Acquiring additional land to accommodate the expansion of “Sun Circle Camping” was a significant hurdle that the founders overcame through personal investment and strategic planning. This expansion provided the necessary space for the implementation of nature-focused recreational amenities, allowing the business to thrive.

Managing capacity limitations and resource allocation was another challenge that the founders addressed through careful planning and efficient infrastructure development. Leveraging their expertise and professional knowledge, they created a well-structured environment that could accommodate visitors while preserving the natural beauty of the land.

Despite opportunities for further expansion, the founders remain committed to their philosophy of sustainable tourism. They prioritize the long-term health of their land and maintain a hands-on approach to its management, ensuring that each visitor’s experience is enjoyable and environmentally responsible.

In summary, the evolutionary journey of “Sun Circle Camping” reflects a dedication to resilience, innovation and sustainability. By shifting from traditional agriculture to nature-based tourism, the founders transformed the approach towards traditional land use. Through strategic planning and a steadfast commitment to their vision, the founders transformed challenges into opportunities, creating a thriving destination for nature enthusiasts and outdoor adventurers, at the same time giving back to the land by restoring the multi-functional land use considering the sustainability goals, i.e., fulfilling the environmental, social as well as economic functions of the natural ecosystem.

3.5. Considering the Advantages and Disadvantages of Implementing Innovative Business Models and Running the Process of Offering Services in Rural Areas

The founders of “Sun Circle Camping” highlight the significant advantages and positive impacts of their innovative rural business model. They derive a sense of uniqueness and fulfilment from establishing a sustainable rural business deeply rooted in the natural regenerative cycle. Through the mindful selection of guests and activities, they foster a joyful alignment with nature, offering a profound sense of moral satisfaction.

The patrons of “Sun Circle Camping” play a vital role in sustaining the business from both environmental and sociocultural points of view. Carefully chosen for their commitment to preserving natural heritage, appreciation of cultural legacy and dedication to conservation, these individuals and families contribute to upscaling the ethos of harmonious coexistence with the environment.

Economically, “Sun Circle Camping” has proved to be sustainable, generating profits through its service-based approach. Unlike traditional family farming reliant solely on agricultural productivity, this model diversified income sources. Minimal advertising investment is necessary, given the loyal clientele base and reliance on word-of-mouth endorsements.

Moreover, “Sun Circle Camping” effectively fulfils its environmental conservation aim by officially documenting new habitats of rare plants and securing designation as part of the Natura 2000 [46] protected areas. Educational nature tourism activities further promote environmental awareness and appreciation. The inclusion of active recreational equipment and scheduled events promotes a healthy lifestyle in harmony with nature, benefiting both owners and guests. Moreover, international networking opportunities enhance personal development and raise awareness of the business’s endeavours.

The transition from the conceptual idea of revitalizing the Misgiriai hamlet to establishing “Sun Circle Camping” encountered several obstacles. Regulatory requirements and land-use designations posed challenges for implementing service-oriented businesses in rural areas. The founders faced misunderstandings from national government institutions regarding permissible activities in rural settings. Securing recognition for their nature-based tourism efforts required overcoming bureaucratic hurdles. Once acknowledged as part of the Natura 2000 effort, the business flourished, attracting global tourists drawn to Lithuania’s unique natural beauty. Seasonality also remains a challenge, with the brief Lithuanian season limiting outdoor activities reliant on favourable weather conditions. However, this is seen as inherent to the nature-based tourism experience in Lithuania, with no immediate solutions implemented.

Nevertheless, the founder has expressed contentment with the current condition of the farmstead, by stating, that the current circumstances align with the purpose for which we established this place.

4. Discussion

The concerns found in the recent literature regarding the challenges faced by cornerstones of land ecosystem transformation [19,21] and land abandonment worldwide [7,20–24] are envisaged by the examined case from different perspectives, firstly composing particular contextual conditions that accelerated the employment of the new-generation entrepreneur’s unconventional mindset to apply creativity in business model innovation for abandoned rural areas.

During the research, it became evident that the land in the area under examination had been intensively exploited in terms of multifunctional agricultural activity, as used to be typical of the planned economic systems [8,11–13]. The land used to be utilized for multifunctional purposes, mainly for intensive generation of biomass, basically, food and fibre [1,3]. This resulted in particular forms of land abandonment [8], when the land loses its benefits as a natural ecosystem, and cannot be sustained further without artificial targeted intervention for natural restoration. After the collapse of the planned economic system in Eastern Europe, as observed in several research studies addressing this issue [1,14–16], the collective farm, which used to utilize the land of the area under examination from a multifunctional point of view [20–22], at least considering the three casual perspectives, i.e., economic, social and ethical, and environmental [7,34], was destroyed. Thus, as observed by researchers elsewhere [31–33], the multifunctional land use attributes started to diminish. After the collapse of the planned economic system in Lithuania, the newly restored state had to perform land reforms and run privatization processes, which were challenging, tricky and long-lasting, as stated in the literature [9,10], and in turn, these caused tremendous changes from both environmental, sociocultural and economic points of view. Next to the loss of sociocultural values of land treatment and related traditions of the region [4–6], the land became an intensive wild plant and animal growth area, more typical of a wild ecosystem, which started to restore its biodiversity itself [1,3], turning its own course, without mindful human intervention. All these contextual conditions accelerated the new mindset of the entrepreneur R. Micka to start his intervention to restore the multifunctional land use by applying innovative business solutions, embedded in explored examples worldwide, far from the previous principles of the planned economic system.

Considering the question of how the novel business model was created, focusing on the main sustainability components from ecological, sociocultural and economic perspectives [34], as well as business management processes, it is worth taking into account the ecological theory, e.g., as noted by Fayet et al. [23]. The entrepreneur started intervention firstly considering the need for a balanced humanity interrelationship with natural ecosystems, considering the future of abandoned agricultural land [23], which also contributes to the multifunctional attitude toward sustainable land management, addressed in several research studies [31–33]. The examined case of “Sun Circle Camping” elucidates how the entrepreneur built his innovative business solutions around the idea of returning to the roots, i.e., the biophysical foundations of socioeconomic systems and living in harmony with the natural cycles—the planet Sun, and its cycle, alongside the orbit system and the ecosystem on the land, and thus deal with ongoing environmental challenges in the area with land abandonment ahead [25,26]. All the philosophical ideas of the farmstead design are rooted in the principles of living in harmony with the natural ecosystem. This is close to the new surge in lifestyles going back to the land in rural areas, propagated by new-generation rural entrepreneurs [28–30,39].

It also goes in line with the research of Sun et al. [32], which takes into account the three intersecting sustainability dimensions (i.e., environmental, social and economic) from a functional point of view, and which served in converting the conventional family farming model, reliant on agricultural production, into a more structured and sustainable commercial model with consistent revenue streams. The ecosystem with its multiple functions [35] was ensured by smartly dividing the territory into appropriate zones (see Figure 1), serving different ecosystem purposes. The social system with its human well-being functions was envisaged as creating the necessary infrastructure (for details, see Section 3.2), which perfectly served for making social connections and multiple social initiatives and socializing events in the area (e.g., see Figure 5). And the land-use system, which the entrepreneur designed, goes between ecosystem services (e.g., incorporation of Natura 2000 territory into the service provision of a farmstead, e.g., picking wild grasses, berries and mushrooms; spectating wild nature birds and animals; sustaining wetland for wild species, etc.) and goods, as well as science and technology (e.g., solar heating

plates for outdoor showers, an electric charging station for modern cars, etc.) and social relationships (i.e., traditional and chartered events and festivals).

All of this overwhelms the smart land-use management decisions, embodied by new-generation entrepreneurs—creators and drivers of unique—and quite often crazy—ideas, that turn into successful innovative business models [36–38], contributing to the vitalization of rural areas as highlighted in the literature to be typical of new-generation rural entrepreneurship [39,40]. The examined example of “Sun Circle Camping” in Lithuania proves that the new mindset entrepreneurs can deal with many fundamental obstacles concerning land abandonment management creatively, by converting challenges into opportunities for rural business model innovation in abandoned areas, and thus contributing to sustaining the durable vitality of rural areas, considering the philosophy of living in harmony with the natural ecosystem.

5. Conclusions

The recent research has underscored a global trend towards intensive agriculture, which has triggered significant land-use transformations and contributed to widespread land abandonment. Particularly notable are the patterns of abandonment observed in Eastern Europe, stemming from the collapse of socialist agricultural systems and subsequent privatization. However, amidst these challenges, there are promising initiatives led by new-generation entrepreneurs. These entrepreneurs are applying innovative business models, drawing on diverse knowledge and practices, to revitalize abandoned rural areas. Their efforts aim to restore the multifunctionality of land use, addressing ecological, sociocultural and economic sustainability concerns.

Considering the land abandonment among the major land cover and land use changes in Europe since the 19th century, scientists have advocated for a return to the fundamental biophysical principles of socioeconomic systems, emphasizing harmony with the natural cycle, as a potential solution to address the environmental challenges posed by land abandonment. Despite a resurgence of “back-to-the-land” lifestyles and innovative business models by new-generation rural entrepreneurs, the scientific literature lacks in-depth qualitative studies on this perspective, particularly regarding the sustainability of land management in abandoned rural areas.

In this study, sustainable multifunctional land management takes into account different land functions in each of the three sustainability dimensions: ecological, sociocultural and economic. The intersecting sectors in between elucidate the sustainable land management outcomes: recognition of traditional and diversified land use; cultivation and commercialization of traditional foods; valuation of environmental services, and finally—the outcomes of sustainable food production as the intersection of all three land management functions. This approach helps define the structure and ratio of sustainable land management practice components while fulfilling the land multifunctionality paradigm.

The on-land practices, which are implemented by human actors, disclose the special value of entrepreneurs in innovation—they act as creators and drivers of unique and quite often crazy ideas, that turn into successful innovative business models. This was examined in parallel with relevant scientific observations in new-generation rural entrepreneurship and served to define the framework for business model innovation, devoted to sustainable land management in abandoned rural areas, based on the Lithuanian case of “Sun Circle Camping”.

Overall research results have suggested that there are plenty of factors that shape new-generation entrepreneurs’ behaviour to start dealing with abandoned rural areas, considering the recovery of multifunctional land use in the area, focusing on the sustainable development course. Indeed, there is a significant gap in scientific research concerning the issue, and therefore it is suggested to continue research in different parts of the world, employing an in-depth explanatory case study methodology, to enrich scientific evidence in the specific area of business model innovation for restoring the multifunctional land use in abandoned rural areas, invented by new-generation entrepreneurs.

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