

## "LET'S MAKE SOME NOISE!" Economic Development Strategy OF THE TAMPERE CITY REGION

### Vision:

SUPERIOR CAPACITY  
FOR RENEWAL

-SUSTAINABLE  
GROWTH

### OBJECTIVES:

THE BEST  
BUSINESS EXPERIENCE

THE MOST ATTRACTIVE  
INDUSTRIAL  
GROWTH PLATFORM

STRENGTHENING THE  
CAPACITY FOR RENEWAL  
AND INNOVATION

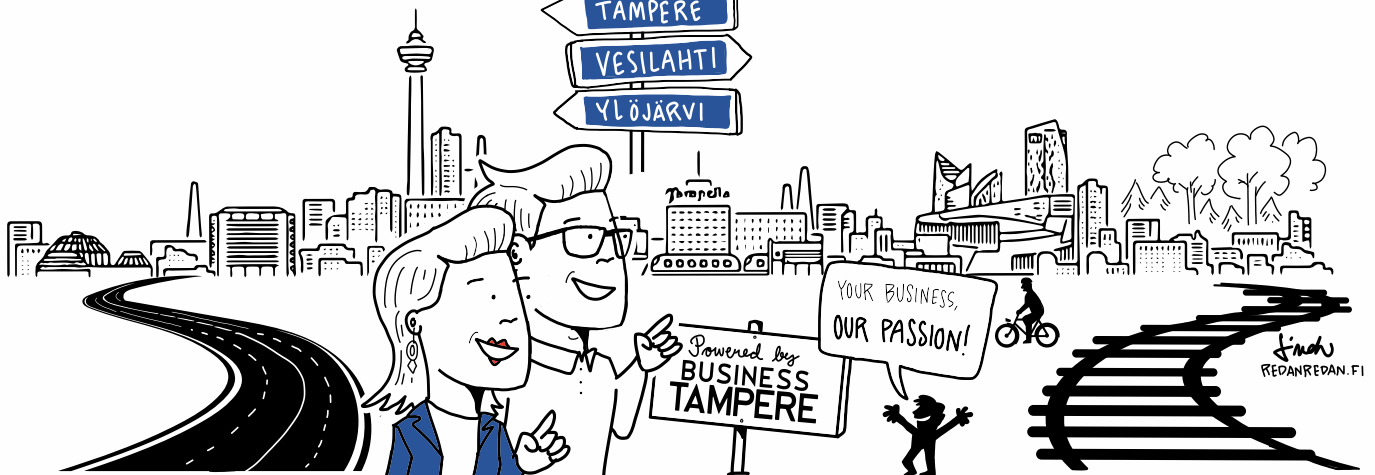
SUSTAINABLY GROWING  
CITY REGION AND  
COMPETITIVE  
ECONOMY

### FOCAL POINTS:

- ENSURING THE BUSINESS SECTOR'S CAPACITY FOR RENEWAL AND A DIVERSE ECONOMIC STRUCTURE AND INCREASING RDI INVESTMENT
- ENSURING COMPETENCES AND CAPABILITIES RELEVANT TO THE FUTURE
- STRENGTHENING INDUSTRIAL RENEWAL
- DEVELOPING WORLD-CLASS BUSINESS AND INNOVATION ECOSYSTEMS
- PROACTIVE LAND POLICY AND IMPROVING ACCESSIBILITY
- EXPLOITING THE OPPORTUNITIES OF SUSTAINABLE DEVELOPMENT
- DEVELOPING SERVICES AND SERVICE EXPERIENCE THAT MEET THE NEEDS OF BUSINESSES
- TELLING SUCCESS STORIES

COOPERATION  
EDUCATION  
COMPETENCE  
COORDINATION  
FINANCING

KANGASALA  
LEMPÄÄLÄ  
NOKIA  
ORIVESI  
PIRKKALA  
TAMPERE  
VESILAHTI  
YLÖJÄRVI



# 1 ECONOMIC DEVELOPMENT STRATEGY OF THE TAMPERE CITY REGION

The Tampere city region is the second largest economic region and growth centre in Finland, comprising eight municipalities: Kangasala, Lempäälä, Nokia, Orivesi, Pirkkala, Tampere, Vesilahti and Ylöjärvi. The economic development vision of the Tampere city region until 2025 is “Superior capacity for renewal – sustainable growth”. The vision will be achieved through the best business experience, an attractive industrial growth platform, an increased capacity for renewal and innovation, and a sustainable, competitive economy.

Maintaining the capacity and desire for renewal and innovation will help the region stay at the forefront of competition as the operating environment changes. Strong engines of enterprise, a dynamic stock of startups and growth companies, vibrant ecosystems, the formation of a new university community, an increasingly close-knit educational field, and cross-organisational cooperation all contribute to creating an excellent basis for developing our capacity for renewal. The Tampere city region strives to lead the way and to achieve global visibility in select key themes that span different sectors and ecosystems and are crucial for the future.

Sustainability is a prerequisite for competitiveness in global markets. Sustainable business means climate-smart operating models, greener technology, sustainably designed products, and well-being for entrepreneurs and employees. Sustainable growth in the city region will be strengthened through support for the development of climate-smart ecosystems and the emergence of circular economy clusters, and by promoting market access for new, more sustainable solutions through public procurement. The region’s sustainable business is framed by green, attractive and more accessible cities and municipalities with vibrant centres.

The strategy’s objectives are translated into everyday activities through eight focal points (see Figure 1).



Figure 1. Strategy map

## 2 TABLE OF CONTENTS

<b>1</b>	<b>ABSTRACT .....</b>	<b>2</b>
<b>2</b>	<b>TABLE OF CONTENTS.....</b>	<b>3</b>
<b>3</b>	<b>INTRODUCTION .....</b>	<b>4</b>
<b>4</b>	<b>CHANGE FACTORS AND CURRENT STATE ANALYSIS.....</b>	<b>4</b>
	4.1 Change factors and the future.....	4
	4.2 Conceptual basis .....	5
	4.3 Current state analysis.....	6
<b>5</b>	<b>VISION .....</b>	<b>11</b>
<b>6</b>	<b>STRATEGIC OBJECTIVES.....</b>	<b>12</b>
	6.1 The best business experience .....	13
	6.2 The most attractive industrial growth platform .....	14
	6.3 Strengthening capacity for renewal and innovation.....	14
	6.4 Competitive business life and sustainably growing city region .....	15
<b>7</b>	<b>FOCAL POINTS .....</b>	<b>16</b>
	7.1 Ensuring the business sector's capacity for renewal and a diverse economic structure and increasing RDI investment.....	18
	7.2 Ensuring competences and capabilities relevant to the future .....	18
	7.3 Strengthening industrial renewal .....	19
	7.4 Developing world-class business and innovation ecosystems .....	19
	7.4.1 Connectivity .....	20
	7.4.2 Safety and security .....	20
	7.4.3 Film Tampere.....	21
	7.4.4 Imaging .....	21
	7.4.5 Climate business.....	21
	7.4.6 Automotive industry.....	21
	7.4.7 Education and expertise.....	22
	7.4.8 Mobility.....	22
	7.4.9 AI and analytics.....	22
	7.4.10 Startup ecosystem .....	22
	7.4.11 Other ecosystems.....	23
	7.5 Developing proactive land policy and accessibility.....	25
	7.6 Exploiting the opportunities of sustainable development .....	26
	7.7 Developing services and service experience that meet the needs of businesses.....	26
	7.8 Telling success stories .....	28
<b>8</b>	<b>DESCRIPTION OF THE STRATEGY PROCESS .....</b>	<b>29</b>
<b>9</b>	<b>HOW WILL WE PROCEED?.....</b>	<b>31</b>

### 3 INTRODUCTION

This document starts with a discussion of the background of our strategy work: factors of future life that we wanted to shape our strategy around, the conceptual basis for the work, and the results of a current state analysis. The current state analysis is followed by the vision of the economic strategy of the Tampere city region and its four strategic objectives. Eight focal points have been selected to achieve the objectives, giving sufficient precision to identify and select measures that contribute to the strategy. The document then describes the strategy process, and finally how the strategy will be implemented and how its realisation will be monitored.

## 4 CHANGE FACTORS AND CURRENT STATE ANALYSIS

### 4.1 Change factors and the future

The factors that we believe will be important for the future economic activity of the Tampere city region were identified through group interviews and document analysis, and their content was also discussed in a vision workshop (see Figure 2).

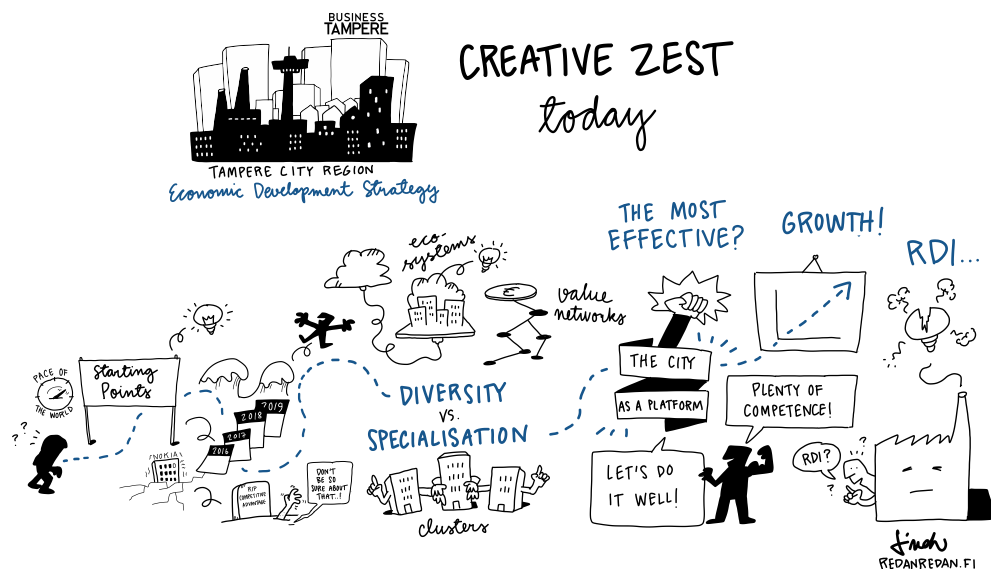


Figure 2. Vision workshop – discussion on the current state

The following factors of change were highlighted as being of particular importance for the region's economic strategy:

- Urbanisation
- The growth of the Tampere region and the youth-heavy age structure
- Regional development and domestic migration, the growth and densification of cities, the location of housing and jobs in the same areas, and economic segregation
- Internationalisation
- Tampere's major physical and digital infrastructure projects – including the Tampere tram, Sulkavuori, Tarastenjärvi, Hiedanranta, the Deck and the Arena
- The development of a new university community
- Disruption of industry – some sectors slow down, new growth sectors emerge and new jobs are created
- Digital transformation, big data and open data
- The changing nature of work and learning, changing competences needed in working life, lifelong learning
- The reshaping of business models, including crowdsourcing opportunities, new business models based on the platform economy and sharing economy
- Increased self-employment and the needs associated with it, such as communal work spaces

- Globalisation and future changes in the world market will also have an impact on the economy of the Tampere region, especially in industry
- A diversifying security environment, the root causes of security risks: unemployment, exclusion, drug problems; the emphasis on comprehensive welfare
- Climate change, the sustainability crisis, the emphasis on environmental responsibility

The Tampere city region is one of the few growing urban areas in Finland. This growth is an indication of the attractiveness of the city of Tampere and its surrounding municipalities. However, a city with many students faces the challenge of strengthening its retention power and engaging graduates as employees, entrepreneurs and residents of the city region. The age structure, which is focused on young people, is a significant resource for the region's economic activity and capacity for renewal. The formation of the new university community offers opportunities to reshape and intensify business cooperation and to strengthen internationally competitive competences by developing research and expertise.

The region's major physical and digital infrastructure projects are investments in the growing region. The full exploitation of their regional effects is also important for business life. Improving regional, national and international accessibility is essential to maintaining economic competitiveness. This includes the promotion of the one-hour train connection and the development of air connections.

Promoting the competitiveness of the city region requires a diversified economic structure that is not vulnerable to changes in the world market or restructuring in one field. In industrial disruption, some sectors slow down and new ones emerge. The nature of work and learning is also changing, which highlights the need for business renewal and lifelong learning. Digital transformation enables new business models and company structures. Automation, robotics and artificial intelligence provide opportunities for more effective use of human expertise and for enhancing efficiency.

The increased diversity of the security environment underlines the importance of well-being and inclusion. Stakeholders must work closely together on both root causes and solutions contributing to the safety and security of the city residents. Answering the needs of sustainable development means making more climate-friendly decisions in the city and in business; it means supporting circular economy centres and the ecosystems of climate-smart everyday life – and seeking a better future for the well-being of people in a comprehensive way.

## 4.2 Conceptual basis

The economic vision of the Tampere city region, “Superior capacity for renewal – sustainable growth”, opens up a perspective on three interrelated issues: 1) developing business and innovation ecosystems, 2) the relationship between diversity and specialisation, and 3) regional capabilities.

*The development of business and innovation ecosystems* means identifying and supporting new forms of organisation of economic and innovation activities. An “ecosystem” is a conceptual challenge, but it inevitably highlights the importance of the relationship between the various actors in business and innovation. Ecosystems are characterised by complementary know-how and other resources of the actors and by their interdependence. Business and innovation ecosystems can be built in very different ways internally, but genuine ecosystems are united by the stakeholders' shared understanding, at least to some extent, of common goals, development prospects or shared processes. The ecosystem approach also gives public stakeholders a new role as developers, and highlights, for example, the importance of establishing a shared vision of development.

*The relationship between diversity and specialisation* is one of the fundamental issues of the evolution and development of urban areas, which remains even as the forms of business and innovation organisation are changing. Regional development studies have shown that diversity is the basis for long-term development of city regions. At the same time, it is clear that the limited resources for economic development must be allocated as efficiently as possible.

Under such circumstances, it is especially important that the city region's already complex business and innovation ecosystems interweave and influence each other's development. For the long-term development of the Tampere city region, it is important to ensure the diversity of the economic structure and, at the same time, to support the development of traditional areas of strength in new directions. There is a particular temporal reason for this; from the perspective of long-term development, the region should have industries at different stages of their development. Economic policy must therefore identify the development paths and future needs of industries, and target industrial policy measures accordingly.

These development paths include the emergence of new ecosystems around new local technologies and new core competence, the strengthening of ecosystems through foreign investment in the region as well as the diversification and internal reshaping of existing conventional ecosystems. Based on these developments, the economic strategy of the Tampere city region aims to achieve continuous renewal so that the region can adapt as well as possible to the changing operating environment, which may change very quickly.

*Regional capabilities* are increasingly relevant at different levels of development. At the level of the entire city region, it is vital to identify resources that will enable the region to renew and diversify. However, the exploitation of these resources requires regional capabilities, i.e. policies, principles and processes to translate the resources (various competences and other resources) into new creative activity. The Tampere city region has highlighted the capacity for renewal as one of its core capabilities. It means, on the one hand, a conscious renewal and renewal of the region's resources, for example through research, development and innovation, and, on the other hand, very efficient use of these resources to modernise the business life in the region.

It is useful to recognise that such capability thinking can be applied at different scale levels: at the level of the entire city region, at the level of individual identified business and innovation ecosystems and at the level of development organisations in the region. Ecosystems can be analysed particularly as assemblies of various resources and capabilities, which can therefore also be managed and developed. The same applies to the development stakeholders themselves. The resources and capabilities through which stakeholders can best contribute to the capacity for renewal and sustainable growth of the entire Tampere city region must be identified for each organisation.

### 4.3 Current state analysis

The current state analysis especially highlighted preserving the diversity of business activities, developing internationally competitive key competence and ensuring RDI investments and growth business development as factors that were particularly relevant.

The basis of the city region's economic strategy is the economic policies of the cities and municipalities, which are reflected in their own municipal or city strategies, economic strategies or economic development programmes. The region's strategy policies have many things in common: a favourable attitude toward business, regional cooperation, inclusion, courage, transparency, responsibility, renewal, activeness and sustainable development. Town planning that meets the needs of the business sector and a good business-customer experience are also vital.

The competitiveness of regional business requires support for the emergence of new business activities and the promotion of the reshaping of existing business activities. It requires both specialisation in the internationally competitive key competences and the preservation of a diverse business structure. In European regional development, the focus is clearly on specialisation. After the development phase, which emphasised clusters, the smart specialisation model has been brought to the core of regional development. In business-driven development, limited resources are directed toward regional strengths in a way that serves the region's future.

The economic strategy of the Tampere city region supports specialisation by strengthening key competences and business ecosystems which allow the region to take a leading role internationally. In addition to the leading competences, the strategy will strengthen the diversity of the economic fabric of the region. It helps prevent dependence on a single industry and thus vulnerability to, for example, disruption of industry and changes in world markets.

How does the current state of economic activity in the city region look in the light of statistics? The city region's stock of enterprises now focuses in particular on professional, scientific and technical enterprises (16%; 4,000 enterprises), commerce (15%; 3,700) and construction (13%; 3,200). The share of manufacturing of the total stock of enterprises is 7% (1,800 enterprises) and that of the information and communication fields six per cent (1,500 companies)<sup>1</sup>. In 2018, most of the net increase of new enterprises was generated in the fields of professional activities (net increase of 206 enterprises), construction (net increase of 109) and information and communication (+99). Also in the fields of the experience economy, i.e. art, entertainment and recreation, the stock of enterprises very clearly picked up (net increase 93).

---

<sup>1</sup> Statistics Finland: Stock of enterprises Q1-Q4 2018.

Figure 3, below, compares the industry’s weight in the current enterprise structure with the distribution of net increases for new enterprises in 2018.<sup>2</sup> If the relative net increase (turquoise line) exceeds the current share of the industry in the enterprise structure (blue bar), the sector has been in a dynamic state of renewal and is growing in importance in the enterprise structure of the city region.

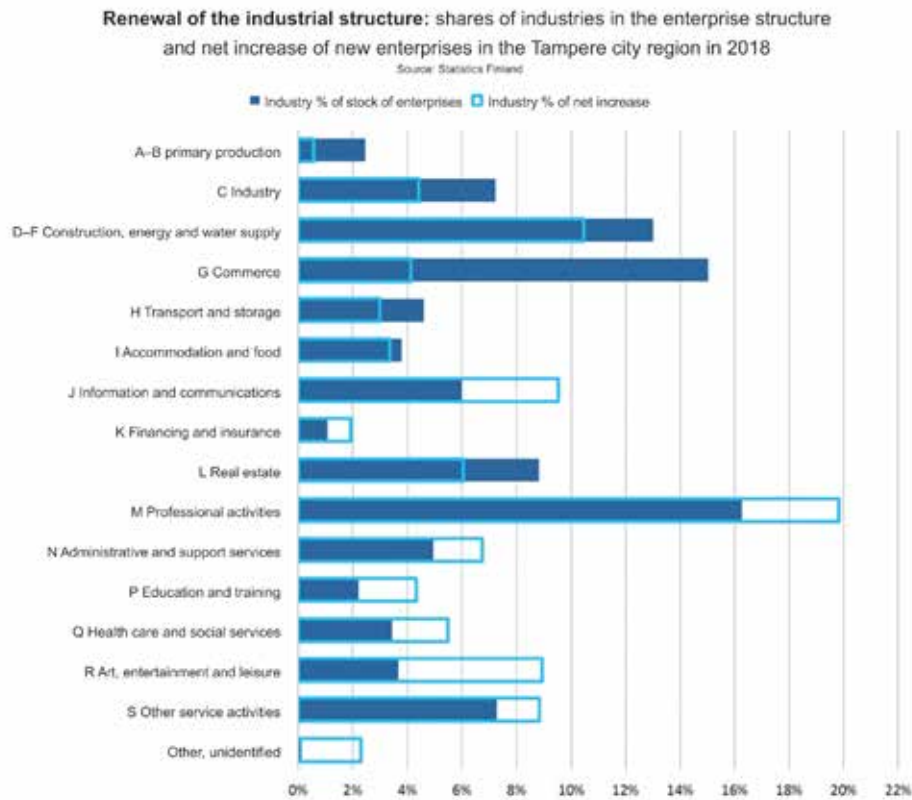


Figure 3. Stock of enterprises in the Tampere city region and net increase in new enterprises by industry breakdown in 2018

The traffic lights of the Situational Picture of Innovation in Tampere Region prepared by the Council of Tampere Region have been largely green in 2018 and 2019.<sup>3</sup> Several indicators of the situational picture related to the business field, such as industrial production, export value, export intensity and value added, have developed favourably. In the most recent situational picture of innovation in 2019, the number of growth companies also took a positive turn again (see Figure 4). A stronger university community has emerged and become the foundation stone of RDI activities, and the Tampere region has widely served as a platform for development and innovation. Indicators of international business connections, engagement and competence have developed mainly on an upward trend. Among other things, the importance of digital services in the economic fabric of the region continues to grow.<sup>4</sup>

<sup>2</sup> *Business Tampere, 2019: Analysed data on the vitality of the Tampere city region, situation as at 22 August 2019.* <https://businesstampere.com/wp-content/uploads/2019/09/Business-Tampere-seudun-elinvoima-tietopaketti-8-2019-web-1.pdf>  
<sup>3</sup> *Council of Tampere Region, 2018 and Council of Tampere Region, 2019: Situational Picture of Innovation in Tampere Region.* <https://www.pirkanmaa.fi/innovaatioymparisto/innovaatio toiminnan-tilannekuva/>  
<sup>4</sup> *Council of Tampere Region, 2019: Situational Picture of Innovation in Tampere Region.*

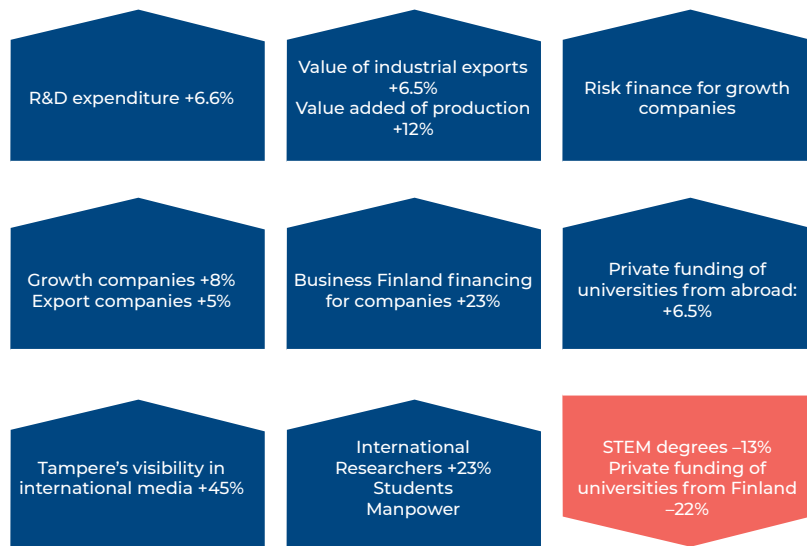


Figure 4. Situational Picture of Innovation in Tampere Region 2019 with traffic lights

However, as the opposite trend of the many positive signals, there has been as a decade of slow growth. The expenditure on research, development and innovation, which is essential for competitiveness, has been falling for a long time, in the wider Tampere Region more strongly than in other RDI-intensive regions<sup>5</sup> (see Figure 5). Last year, R&D expenditure finally started to rise in the wider Tampere Region, but there is a great deal of catching up to do. Similarly, the GDP per capita has not increased as strongly as in many other regions in the 2010s. The indicators of the situational picture show both positive and challenging trends.

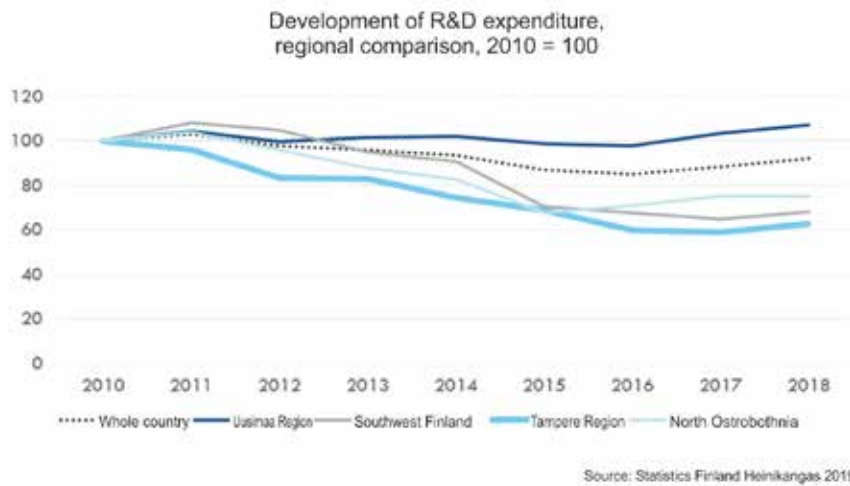


Figure 5. Development of expenditure on research and development in wider regions, 2010 = 100



The strategic objective set at national and EU level is to ensure that the RDI expenditure exceeds 4% of the regional GDP. At best, research and development expenditure in the wider Tampere Region relative to output was 7%. The ratio has now fallen below 4%. (See Figure 6). Private sector R&D expenditure, in particular, has been declining for a long time. The R&D investments in the higher education sector have developed more favourably than in the business field, and the region's higher education institutes have been particularly successful, for example in applications for the most sought-after research funding. However, the scale of funding for higher education institutes is not sufficient to compensate for the change in the business sector.<sup>6</sup>

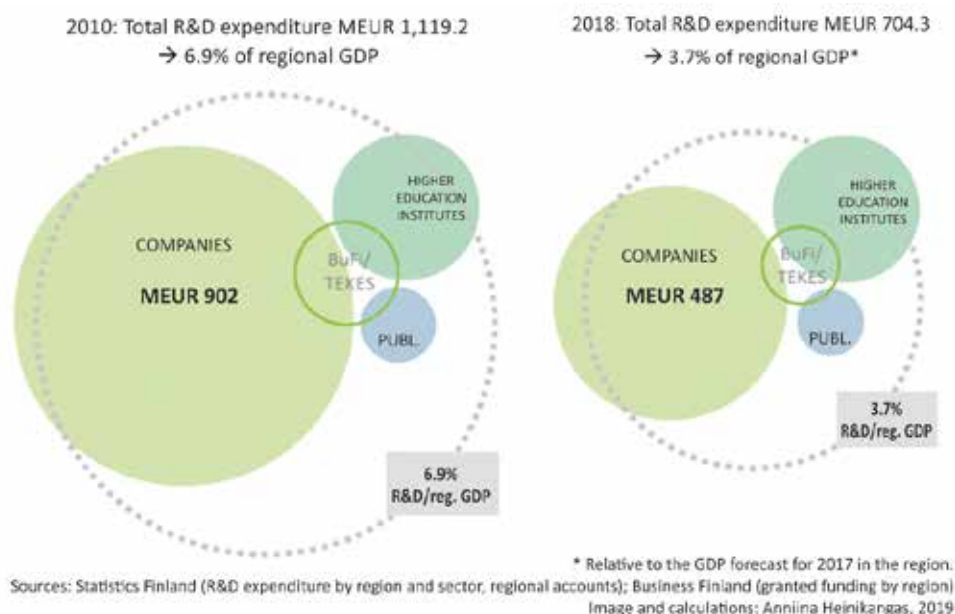


Figure 6. Comparison of research and development expenditure in the wider Tampere Region in 2010 and 2018 and their share of the regional GDP

In 2018, RDI funding took a positive turn as the R&D expenditure of companies also started to rise in the wider Tampere Region. The total amount of RDI investments used in companies was MEUR 487, an increase of over 9% from the previous year. The funding granted by Business Finland in the region also increased: The total amount of RDI funding was allocated to actors in the region, totalling MEUR 66, 75% (MEUR 49) of which was allocated to the business sector. The amount increased by MEUR 9.2 from the previous year (+23%).<sup>7</sup> (See Figure 7). Of the funding granted, two-thirds were grants and one-third loans. In addition, a positive signal can be seen in the up-turn in risk financing granted to companies in the wider Tampere Region in 2019 (see Figure 8). The preliminary information on risk finance extends to summer 2019.<sup>8</sup>

<sup>6</sup> Heinikangas, Anniina (2018): RDI funding 2018: RDI investment falls below national target. Council of Tampere Region. <https://pirkanmaantalous.fi/innovaatiotilannekuva/tki-rahoitus-2018>

<sup>7</sup> Business Tampere, 2019: Analysed data on the vitality of the Tampere city region, situation as at 22 August 2019.

<sup>8</sup> Council of Tampere Region, 2019: Situational Picture of Innovation in Tampere Region.

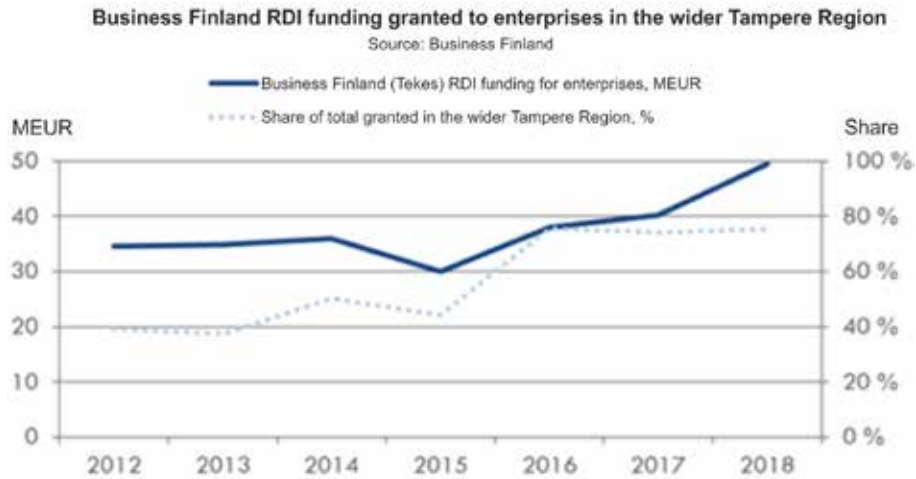


Figure 7. Development of RDI financing granted by Business Finland to enterprises, Tampere Region 2012–2018

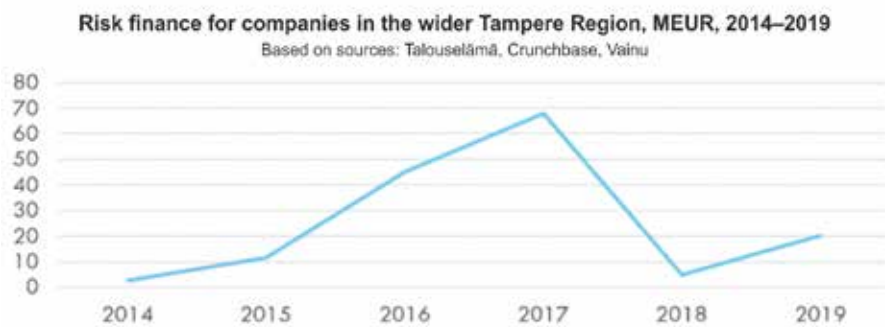


Figure 8. Risk finance for enterprises in the Tampere Region 2014–2019 (preliminary)

In the light of the strategic monitoring indicators of Business Tampere, the current state of the Tampere city region looks mostly positive. A particularly positive signal is the strong growth in the number of growth enterprises in all the company sizes in the region. There is growth in both in the number of growth enterprises in the broad definition and in the number of growth enterprises in the narrow definition.<sup>9</sup> Growth enterprises are most often found in construction, trade, various professional and business support services as well as information and communication. The region's favourable demographic trends and consumer confidence are reflected in particular in strong demand from the construction and trade sectors. The active business sector is reflected in the increase in growth companies offering various professional and business services. The number of industrial growth companies has also started to grow again, reflecting the capacity of industrial sectors in the region to regenerate.<sup>10</sup> (see Figure 9).

<sup>9</sup> Business Tampere, 2019: Analysed data on the vitality of the Tampere city region, situation as at 22 August 2019.

<sup>10</sup> Business Tampere, 2019: Analysed data on the vitality of the Tampere city region, situation as at 22 August 2019.

INDICATOR	"NOW"	CHANGE FROM PREVIOUS IN %
<b>New enterprises</b> (Statistics Finland) TCR	2,495 (2018) 742 (Q2/2019)	+16.5% (2017) -3.5% (Q1/2018)
<b>Growth companies</b> (Statistics Finland) TSR	<b>Narrow*: 83</b> (2014–2017) <b>Broad*: 585</b> (2014–2017)	<b>+20.3%</b> (2013–2016) <b>+9.3%</b> (2013–2016)
Number of employees in growth companies (Statistics Finland) TR	<b>Narrow*: 6,845</b> (2014–2017) <b>Broad*: 18,678</b> (2014–2017)	
<b>Startup companies</b> (BusinessTampere, Vainu**) TCR	<b>172–240 depending on the analysis method</b>	
<b>The number of employees in startups</b> (BusinessTampere, Vainu**) TCR	997 (August 2019) (n = 137)	
<b>Turnover, manufacturing</b> (Statistics Finland) TCR	<b>MEUR 8,580</b> (2017)	<b>+7.3%</b> (2016)
<b>Turnover, ICT</b> (Statistics Finland) TCR	<b>MEUR 1,890</b> (2017)	<b>+3.8%</b> (2016)
<b>Turnover, health and well-being</b> (Statistics Finland) TCR	<b>MEUR 1,424</b> (2017)	<b>+12.2%</b> (2016)
<b>Turnover, experience economy</b> (Statistics Finland) TCR	<b>MEUR 1,564.3</b> (2017)	<b>+0.0%</b> (2016)
<b>Turnover, creative industries</b> (Statistics Finland) TCR	<b>MEUR 661.3</b> (2017)	<b>-0.2%</b> (2016)
<b>Unemployment rate</b> (Ministry of Economic Affairs and Employment) TCR	<b>10.3</b> (June 2019) <b>9.9</b> (avg. 2018)	<b>-0.3% points</b> (June 2018) <b>-0.1% points</b> (Oct. 2018)
<b>Business Finland RDI funding for companies</b> TR	<b>EUR 49,439,462</b> (2018)	<b>+23.0%</b> (2017)
<b>Export companies</b> (Statistics Finland) TR	<b>632</b> (2017)	<b>+4.8%</b> (2016)
<b>Import companies</b> (Statistics Finland) TR	<b>1,363</b> (2017)	<b>+2.9%</b> (2016)
<b>Overnight stays by foreigners</b> (Statistics Finland) TR	<b>107,997</b> (2018) <b>11,464</b> (June 2019)	<b>+8.6%</b> (2017) <b>-6.7%</b> (June 2018)
<b>Industrial policy indicators</b> (Federation of Finnish Enterprises)	<b>6.9</b> (Tampere Region 2018) <b>6.1</b> (Tampere 2018)	<b>6.6</b> (Tampere Region 2016) <b>6.4</b> (Tampere 2016)
<b>Municipality ranking</b> (Confederation of Finnish Industries) TR	<b>8th place</b> (2019) <b>64 points</b> (2019)	<b>7th place</b> (2017) <b>67 points</b> (2017)
<b>Active companies in operation</b>	<b>35,006</b> (BT Yritystietopalvelu, 22 Aug. 2019) <b>31,003</b> (Asiakastieto, 30 June 2019)	Registration methods have changed

TCR = Tampere city region  
TR = Tampere region  
WTR = wider Tampere Region

\* Narrow definition: The company's initial employment was at least 10 people at the beginning of the growth period and there was an average growth rate of 20% per year throughout the growth period. Broad definition: The company's initial employment was at least 3 people at the beginning of the growth period and there was an average growth rate of 10% per year throughout the growth period.

\*\* There is no clear statistical source for monitoring startup companies at the moment. The startups were identified manually by contacting businesses in Business Tampere's startup study (summer 2019). The final number of startups will be determined after the study is completed in September 2019.

Figure 9. Current situation in the light of monitoring indicators

## 5 VISION

The vision guiding the economic activity of the Tampere City Region until 2025 is "Superior capacity for renewal – sustainable growth".

**“Investing in education, research, competence and people will be critical. For example, companies' investment in RDI activities and their ability to innovate in the region are not currently sufficiently in line with the vision. It is necessary for the emergence of new enterprises, and in particular for growth and internationalisation.”**

The competitiveness of the city region and its business life in the long term is based on the capacity for renewal and sustainable growth. Maintaining the capacity and desire for renewal and innovation will help to stay at the forefront of competition as the operating environment changes. The city region has always been capable of renewal, but concerns about the declining RDI investments of companies have made the capacity for renewal a key element in the business strategy. The capacity for renewal requires a willingness to innovate and renewal. The advantage of being the first on the market is significant, but the capacity for renewal means more than radical, disruptive innovations or completely new solutions and products; it means continuous improvement in small steps every day

There is an excellent basis for developing the capacity for renewal: strong actors, a vibrant startup field, a university community that is taking shape and a regenerating field of education as well as cross-organisational business cooperation. Leadership and global visibility are sought in selected focal themes that span different sectors and are key to the future, such as signal processing, mobile hydraulics and computer vision.

In addition to capacity for renewal, sustainability is a prerequisite for competitiveness in global markets in the long term. Sustainable growth of the city region will be strengthened by mobilising companies to seek growth in more climate-friendly products and policies, and by supporting the building of climate-smart ecosystems in everyday life and the emergence and strengthening of clusters in the circular economy. Public procurement promotes market access for new, more sustainable solutions. Sustainable business means climate-smart everyday solutions and cleaner technology.



Figure 10. Alternative vision concepts featured in the vision workshop on 28 May 2019

Sustainable growth also extends globally to the well-being of entrepreneurs and workers – improving the capacity for work also increases the capacity for renewal in the long term. For example, automation, robotics and artificial intelligence create new opportunities as the nature of work is changing. The sustainable business of the city region is framed by green and comfortable cities and municipalities that make relocating to the city region attractive not only to companies, entrepreneurs and experts, but also to the whole family.

## 6 STRATEGIC OBJECTIVES

The strategic objectives were based on four areas covering the different dimensions of the business strategy. These are: 1) operating environment & services, 2) target groups & networks, 3) competence & capabilities and 4) growth & investment. Together, these areas help define a balanced strategy.

Based on group discussions, an online survey and other material, four to six objective concepts were identified for each area. The concepts were voted on and discussed in the vision workshop on 28 May 2019 (see Figure 11), resulting in the strategic objectives, which were further validated and iterated, confirmed and refined in the next steps of the process.

# TAMPERE CITY REGION Economic Development Strategy

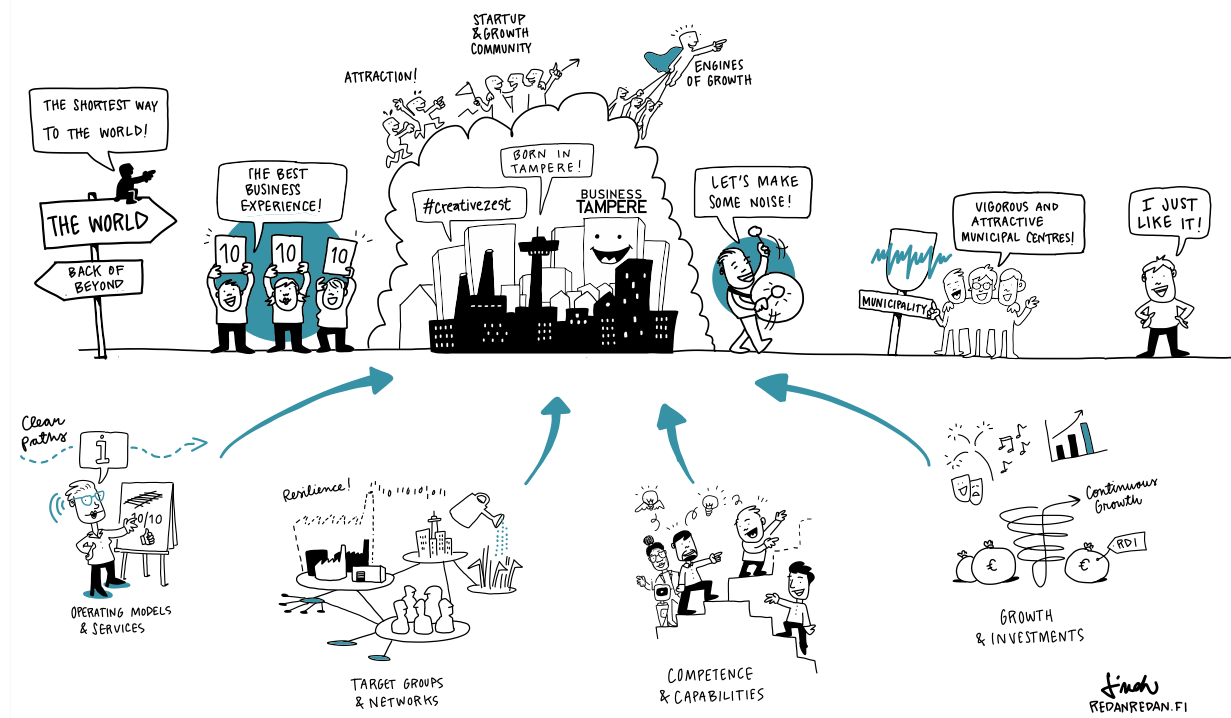


Figure 11. The objective concepts featured in the vision workshop on 28 May.

## 6.1 The best business experience

The strategic objective of the operating environment and services is the best business experience.

The Tampere city region is a good place to live and run a business. Surrounded by nature and culturally rich, the small, big city makes for smooth everyday life. The low-threshold networks and ecosystems are easy to enter. Alongside the large locomotives, the region also values the hard-working small businesses that keep the economy going. A culture of collaborative enterprise makes Tampere a good place to try out business ideas, even those that fail. Regional cooperation between business operators penetrates bunkers and municipal boundaries. The common goal of business operators is the best business experience in Finland – together we do more business.

“A lot of actors and services that support business; we are stronger when we work together. — Regional cooperation is a clear strength in national comparisons, including in business, and this strength is worth making even more use of.”

The best business experience is created on the foundation of well-managed fundamentals and service attitude. This requires a helpful attitude in business services and business cooperation, cross-organisational and cross-municipal services that are shaped to meet the needs and experiences of businesses, key account thinking, and a rapid response to the needs of businesses. Business operators in the region create the best business experience by focusing on business engagement, startups, and promoting business collisions and business cooperation as well as supporting the development of business ecosystems. In practical terms, this can be seen in improving town planning and business cooperation, streamlining of permits, coordination and service design of business services in a one-stop-shop approach, improved customer management and a business-positive attitude toward the economic activities of the city region. The best business experience can also be reflected in a distinctive innovation process in the region, for example by using ‘group consultation’ which brings together different experts to pollinate new ideas.

## 6.2 The most attractive industrial growth platform

The strategic objective of the target groups and networks is to build and maintain the most attractive industrial growth platform.



**“Our industrial heritage is strong and nothing to be ashamed of. The export revenues of the Tampere region depend on these sectors. Tampere is known as a leading industrial city on a European and global scale. The foundation is in building moving machines, with artificial intelligence and more built on that foundation. Can we create new expertise on top of industrial know-how?”**

The strong industry in the Tampere region provides continuity and a basis for innovation, startup business and the development of technological focal points and internationally high-quality research. To remain at the forefront of the industry of the future, companies need to continuously update their skills. Cooperation with educational institutes will ensure the availability of future talent and increase the attractiveness of industry as a workplace for future talent. Supplementary training is used to update the competence relevant to companies. RDI investments are investments in future competitiveness. Through collisions and the combination of skills in different fields, we can leverage the potential for creativity, design and more radical innovation. An attractive industrial growth platform creates a basis for developing top competence.

The strategy seeks leadership and global visibility in selected focal themes that span different sectors and are key to the future, which might include signal processing, mobile hydraulics or computer vision, for example. Building an attractive growth platform will contribute to identifying and catalysing focal points into globally significant knowledge hubs.

## 6.3 Strengthening capacity for renewal and innovation

The strategic objective of competence and capacity is to strengthen the capacity for renewal and innovation.

Strengthening the capacity for renewal and innovation means the simultaneous development of RDI investments, competence and capabilities as well as methods and models for coordinating and managing them. This will be done, for example, by increasing the willingness of companies to innovate and renewal, by strengthening cooperation between companies and educational institutes, by ‘cross-pollination’ of experts and expertise, by developing new coordination models, by improving the retention power, thereby ensuring that companies and professionals remain in the region, and by ensuring a competitive share of RDI funding and risk financing. The search for RDI funding will be supported, for example, by streamlining business finance service paths, by offering sparring and by facilitating the finding of expert services and partners.

Competitiveness will be built and maintained by developing capabilities at all levels. Knowledge and other resources are at the heart of these capabilities. Effective use of resources requires effective operating models and the ability to coordinate and manage clusters of skills and resources. Core capabilities are a combination of the most important capabilities in terms of competitiveness. Dynamic ability is the ability to reshape knowledge and resources in a changing operating environment, both in building new capabilities and in developing operating models for their utilisation.

## 6.4 Competitive business life and sustainably growing city region

The strategic objective of growth and investment is to achieve a sustainably growing city region and a competitive economy.

Competitiveness of the city region will be ensured through investment in future growth. The vision and strategic objectives can be achieved through the following finance-related means: Joint investor policies to strengthen internationally competitive key competences, for example, for the next structural funds period, a nationally competitive share of RDI funding, increasing the amount of risk financing for growth companies and increasing the EU project portfolio supporting the city region's strategy. A competitive city region must also be able to attract private investment, both domestically and globally. The strengthening of the capacity for renewal and innovation requires an increase in the level of RDI investments in companies. The city region's own investments also ensure continuity of growth and create a counter-cyclical effect. In the next five years, it is important to make full use of the momentum of the infrastructure investments.

Sustainable growth requires investment in clean technologies and in the circular economy as well as sustainable community planning. Public procurement is used to facilitate market access for sustainable solutions created in the city region by offering opportunities for pilots and reference projects. The city acts as a platform and catalyst for the development of sustainable solutions and sustainable business. The development of circular economy parks is supported, the emergence of new business is accelerated and a foundation is created for building climate-smart everyday ecosystems. Service chains supporting public transport and, for example, the development of station areas and city centres will strengthen the growth of a sustainable economy. Sustainable community planning also includes strengthening town planning and business dialogue, proactive land policy and more flexible permit processes.

## 7 FOCAL POINTS

Eight focal points have been selected to achieve the strategic objectives, giving sufficient precision to identify and select the measures that contribute to the strategy. The implementation of the focal points requires the cooperation of a number of business operators. The strategy will be put to practice in the operations of the business organisations in the city region as they implement these focal points, and it will guide the implementation of the strategic objectives. The operations of organisations are also influenced by their own strategies, operational policies and resources. Business organisations implement the strategy in accordance with their respective area of responsibility.

Focal points	Importance			Competitiveness																										
	Minor	Neutral	Major	Weak						Neutral						Good														
				9	8	7	6	5	4	3	2	1	0	1	2	3	4	5	6	7	8	9								
Increasing the capacity for business renewal and investment in RDI to a nationally competitive level — and maintaining a diversified economic structure			●													●														
Strengthening industrial renewal in cooperation with businesses, universities and research institutes			●																											●
Developing world-class business and innovation ecosystems and strengthening networks			●																											
Ensuring competences and capabilities relevant for the future through collaboration between companies and educational institutes – at all levels			●																											●
Exploiting the potential of sustainable development as a competitive factor in business – in current and new business			●																											●
Services customised for the needs of companies at different stages of their life cycle, development of cross-organisational service paths and improvement of companies' service experience			●																											●
Compiling success stories and telling a consistent, appealing story of a sustainably growing, renewing and safe Tampere region			●																											●
Proactive land policy and accessibility development in collaboration between municipalities, the Tampere city region, Business Tampere and business organisations			●																											●

Figure 12. Key focal points of activities, their current state and the importance of their development

Business Tampere's external management team defined the focal points in June 2019 from the perspective of strategic objectives. At the same time, their current state was assessed from a competitiveness perspective along with their mutual importance (see Figure 12). In the next step, 17 focal points described in more detail were raised to the level of the vision through combination and elimination. The selected 8 focal points are the most important development priorities for achieving the vision and objectives.



The focal points are critical to the achievement of the objectives and are linked to several objectives at the same time (see Figure 13). The focal points critical to achieving superior capacity for renewal are connected to the development of the capacity and desire for renewal, innovation abilities, future-relevant intellectual capital, university and business cooperation, world-class innovation ecosystems, networks to support renewal and a diverse business structure.

<b>Focal points/Strategic objectives</b>	<b>The best business experience</b>	<b>The most attractive industrial growth platform</b>	<b>Strengthening the capacity for renewal and innovation</b>	<b>Sustainably growing city region and competitive business life</b>
Increasing the capacity for business renewal and investment in RDI to a nationally competitive level – and maintaining a diversified economic structure	x	x	x	x
Ensuring competences and capabilities relevant for the future through collaboration between companies and educational institutes – at all levels		x	x	x
Strengthening industrial renewal in cooperation with businesses, universities and research institutes	x	x	x	
Developing world-class business and innovation ecosystems and strengthening networks	x	x	x	x
Proactive land policy and accessibility development in collaboration between municipalities, the Tampere city region, Business Tampere and business organisations		x		x
Exploiting the potential of sustainable development as a competitive factor in business – in current and new business		x	x	x
Services customised for the needs of companies at different stages of their life cycle, development of cross-organisational service paths and improvement of companies' service experience	x	x	x	x
Compiling success stories and telling a consistent, appealing story of a sustainably growing, renewing and safe Tampere region	x	x		x

Figure 13. Focal points and strategic objectives

Similarly, the focal points connected to sustainable growth relate to socially responsible business in all sectors, new innovations in clean technology and circular economy and public procurement that promotes their uptake, growth of sustainable business, land policy that supports climate-smart life and business as well as improvement of accessibility in ways that encourage more sustainable solutions in everyday life in the city region and promote the development of climate-smart business ecosystems.

## 7.1 Ensuring the business sector's capacity for renewal and a diverse economic structure and increasing RDI investment

A diverse economic structure protects the competitiveness of the city region against changes in the world market. In order to maintain it, it is important to develop the capacity for renewal in all sectors, across businesses of different sizes and in different life cycle stages. However, after a decade of lost growth, the RDI investments are below the target of 4% of GDP.

At the same time, particular attention must be paid to industry, which is what the city region is known for. Industry has been able to renew, and its current capacity for renewal is estimated to be sufficient, but the capacity for renewal must be maintained and further strengthened through cooperation between companies, universities and research institutes and through increasing RDI investments. The reshaping industry also provides a strong growth platform for business in other fields.

Ideas put forward regarding the targeting of measures

**Measures to raise the level of RDI investment to a competitive level in international comparison**

**Promoting cooperation between large companies, research institutes and small businesses in RDI activities and in finding funding**

**Targeting companies with a high RDI input-benefit ratio**

**Ensuring a diversified funding base, private sources are involved in the whole alongside public RDI funding**

## 7.2 Ensuring competences and capabilities relevant in the future

Ensuring relevant competences and capabilities is critical to the development and future of the capacity for renewal and must be achieved through cooperation between businesses and educational institutes at all levels of education. International talent is a relevant part of the competence pool that companies need. Its scale and depth must be comprehensive to meet their immediate competence needs, to strengthen the region's capacity for renewal and innovation and to strengthen the involvement of stakeholders in global networks at different levels. In order to attract new investments, the talent offering must be strong and clearly marketed, and investors must be able to perceive the region's ability to attract the necessary talent.

The availability of talent is often one of the most important issues for a company considering relocation, so the region needs to have the potential to attract talent and also the capability to make an existing talent resource meet the needs of companies. Cooperation between educational institutes and business life should be promoted both in secondary education and in higher education and research. Educational institutes should also make use of the high-quality external education and training offering, thus making a more targeted effort to meet the talent needs of companies.

Ideas put forward regarding the targeting of measures

#### **Systematic proactiveness based on data**

**Development of operational models, such as 'rapid reaction forces' to respond to immediate competence needs, systematisation of change security processes at transitional stages, etc.**

**Promoting continuous learning at individual level**

**Multicultural development of industries and retention of talents in the city region**



### **7.3 Strengthening industrial renewal**

The manufacturing industry in the Tampere city region is one of the most important drivers of Finland's foreign exports. The technology industry in the wider Tampere Region accounts for 76% of R&D investments of all industry and commerce in the region and 54% of the region's total exports of goods. The direct and indirect impact on employment amounts to 70,000 jobs, and the turnover is EUR 7.3 billion. One particularly important individual cluster is the manufacture of non-road mobile machinery and its subcontracting chains, creating an annual turnover of billions of euros in the region.

Digital transformation continues to open up great opportunities – and sometimes threats – to business. Contributing to the competitiveness of manufacturing industries through digital transformation is a very important task for the municipalities of the city region and for Business Tampere. Maintaining competitiveness focuses on identifying, managing and increasing the subcontracting and partnership network associated with strategic capabilities and new technological openings of the ecosystems. Business Tampere is an active partner of industrial companies in this task, which requires a strong knowledge of research and education and interaction with educational institutes, understanding and communicating the potential of technological ecosystems and bringing public development instruments close to businesses.

Ideas put forward regarding the targeting of measures

**Enabling incidence**

**Industrial cooperation accelerators**

**Using data from different perspectives, industry's own experience of its renewal versus regional capability analyses**



### **7.4 Developing world-class business and innovation ecosystems**

The development of world-class business and innovation ecosystems and the strengthening of networks are critical success factors for a more attractive city region that draws investment, companies and competence. The development of the business ecosystem is an effective operating model, and its measures have already been initiated. This involves enabling encounters, where, alongside digital solutions, it is essential to enable face-to-face meetings, networking and sometimes surprising encounters. Bringing together businesses, talent and ecosystem stakeholders and promoting matchmaking will support the development of ecosystems and, at the same time, improve service experience. Key considerations for the functioning of ecosystems are, in particular, ensuring access to highly skilled workers and channelling new intellectual capital into the region. Ecosystems must be open and capable of integrating new kind of competence into platforms and networks, also in order to attract international startups and to engage international professionals graduating from the Tampere university community into the local business life.

Promoting cooperation between small and larger companies is part of the ecosystem activities and enables the development of new innovative products and services. It also provides small businesses with a path of growth and internationalisation with the support of cooperation with engines of enterprise. The following sections describe some of the vibrant business ecosystems in the city region.

**7.4.1 Connectivity**

High-quality wireless and wired communications are essential for all digital applications, knowledge management, various data analytics applications and AI-enabled solutions. Telecommunications networks serve as a central platform for the smart city and enable the development of new services.

The aim of the connectivity ecosystem is to speed up the development of new services by providing businesses and research institutes with open communication solutions and test platforms that partly make use of the existing infrastructure of the city. This will improve companies' ability to develop new products and services that are globally scalable on a network basis. Platforms increase the attractiveness of the Tampere region for high technology companies at national and international level. Platforms can also be used for co-creation of the City of Tampere and companies and for EU research projects, for example.

Platforms help stimulate new innovations, such as autonomous driving, intelligent lighting control and various IoT solutions in the urban environment.

**7.4.2 Safety and security**

The safety and security expertise in the Tampere city region is extensive and multisectoral. The safety and security expertise can be divided into ten areas (see Figure 14). There are more than 220 identified stakeholders in the business ecosystem.



Figure 14. Reference framework for overall security.

The theme of safety and security is one of the intersecting themes of the City of Tampere's Smart Tampere ecosystem programme<sup>11</sup>. The Tampere Region Safety and Security Cluster, which has been active since 2011, promotes cooperation between safety and security stakeholders in the region<sup>12</sup>.

### 7.4.3 Film Tampere

Tampere has a strong history of audiovisual productions, influenced by TV2's activities in the region. Changes in viewing habits and platforms have changed and internationalised the structures of the sector on a permanent basis.

Tampere is becoming a major European production city, a place for making international films, drama, large entertainment productions and productions that meet domestic demand.

Film Tampere supports the growth of the net sales of the region's stakeholders through development measures, draws in productions and networks the region's entrepreneurs with the productions. Tampere's production incentive provides tenfold return on investment.

### 7.4.4 Imaging

Tampere has one of the world's most attractive and comprehensive imaging technology ecosystems, based and centred on mobile imaging solutions. A significant share of the foreign direct investment in the Tampere region in recent years has been related to imaging.

The ecosystem is made up of companies providing equipment, software, components and testing as well as research and training actors, and thus provides a full subcontracting and product development chain for different types of companies. The imaging ecosystem is also a very dynamic network, which meets regularly facilitated by Business Tampere and attracts significant global interest.

### 7.4.5 Climate business

Climate business refers to a business ecosystem that is built by companies that produce solutions in cleantech, circular economy, renewable energy and sustainable materials. There are several hundred such companies in the Tampere region, so this is also a major business hub in international comparison.

The focus of the Tampere region ecosystem is especially on the circular economy concentrations of Nokia's ECO3, the Taraste area on the border between Kangasala and Tampere as well as Tampere's new urban development site at Hiedanranta. The self-sustaining energy community LEMENE located in the Marjamäki industrial area of Lempäälä is also an important regional development site.

### 7.4.6 Automotive industry

Over the past decade, the automotive industry has faced the most significant revolution in its existence, with electrification, autonomy, shareability and connectivity of the car as new technology solutions forcing manufacturers to partly reinvent their product and operating model.

There are dozens of growing companies in the Tampere region that have developed internationally competitive solutions in these product areas. The companies are actively meeting for ecosystem events and export promotion activities hosted by Business Tampere. The ecosystem has received direct international investment and its network meetings have had global participation.

---

<sup>11</sup> <https://smart tampere.fi>

<sup>12</sup> <https://sites.tuni.fi/turvallisuusklusteri/>

#### **7.4.7 Education and expertise**

Finland's strong school system and technology-enabled learning service solutions provide excellent conditions for a competitive export ecosystem. Tampere's *Education Tampere* ecosystem is an education export entity facilitated by Business Tampere that seeks global partnerships, promotes the export of service providers and thus increases turnover. In addition, the ecosystem enables business co-creation at local level between educational institutes, businesses and municipalities, which strengthens the competitiveness of the entire region in the sector.

#### **7.4.8 Mobility**

Tampere is one of the leading cities in Europe in the development of intelligent transport services. The city is of suitable size for testing transport products and services, but at the same time compact enough for agile and flexible decision-making and effective cooperation between the public and private sectors. The use of open data, digitality, artificial intelligence and automation in transport is only just beginning, and new mobility services and technologies are being developed at an accelerating pace.

ITS Factory is an active network for innovation, testing and development of intelligent transport in Tampere. The network is the engine of the intelligent transport ecosystem. The aim of the network is to provide business-oriented solutions for smooth, sustainable and safe transport. It now has more than 70 members, and its partners include the ITS Finland network and the relevant governmental stakeholders. The main theme is the creation of a public transport system based on a light rail system, including autonomous electrical feeder services and the deployment of mobility as a service (MaaS).

#### **7.4.9 AI and analytics**

The aim is to create an AI ecosystem and to develop it systematically and over time. The AI ecosystem will promote the renewal and growth of businesses in the region by increasing awareness of the benefits of data collection, analytics and artificial intelligence. The ecosystem will strengthen Tampere's attractiveness as an AI knowledge hub. Another aim is to support the city in utilising artificial intelligence and analytics to support design and decision-making and to optimise operational efficiency. A third aim is to help the city identify and develop functions, connect businesses and create new business opportunities.

#### **7.4.10 Startup ecosystem**

The startup activities develop new innovative business and develop business models for the business ecosystems. They are visible across sectors and create new products and services that are scalable in principle and targeted at international markets. Service paths supporting entrepreneurship, university research and the need for renewal of established enterprises contribute to the emergence of startups as spin-offs or as new enterprises. Startups also play an important role in attracting public funding and private equity investment to the region.

Platform 6, a concentration of startups and related services and communities, is the leading edge of the ecosystem, which is used to develop activities and strengthen networks in close cooperation with various actors.

## 7.4.11 Other ecosystems

### Health technology

The Tampere region has a unique combination of research, business and services related to health technology and health services. The city region has strong expertise in research, product development and innovation that combines medicine, biotechnology, bioinformation and technology. The rapidly growing Kauppi campus holds Tampere University's Faculty of Medicine and Health Technology as well as Tampere University Hospital. The campus also contains high-level research units and specialised hospitals. A growing number of companies developing life science and health technology products operate on the campus. In addition, Tampere University's Hervanta campus features the university's technology hub and a concentration of high-tech companies that operate directly or indirectly in health technology value chains. Business Tampere strengthens the ecosystem by marketing this entity and its individual companies to potential international partners, by opening dialogue between investors and companies and by promoting business investments in the region.

### Experience economy

Storytelling is central to all business activities, and there is a lot of storytelling expertise in the city region. Developing gaming, cinema and TV industries, together with a strong offering of experiences and events, build an attractive environment for residents and tourists in the Tampere city region. This supports profitable business and its renewal, and attracts talent.

#### *European Capital of Culture application*

Tampere's application for European Capital of Culture (ECOC) is reflected in all aspects of the economic strategy of the Tampere city region. The ECOC application is a key element in promoting business. It produces positive images of the operating environment and builds the area's attraction and retention power and a high quality of life, attracting top professionals of various industries to the area.

The experiences arising from culture have a direct effect on the business of companies by improving business experience, innovation and renewal capacity and by increasing competitiveness and added value.

The strategy for tourism in the region is addressed separately in the Tampere City Region Tourism Strategy, which Visit Tampere has developed in cooperation with tourism companies and other stakeholders. It will guide operations until 2025.

### Gaming industry

The Tampere city region is Finland's second-biggest hub of game development. Around 30 game developers operate in the region, and many of them are important players in their field. In summer 2019, gaming companies established an association in Tampere. The development of the gaming business is also being promoted by, for example, supporting incubation activities. The leading Finnish gaming research centre operates in Tampere as part of the university community. The key to the development of the gaming ecosystem is ensuring the availability of talent and the competence of gaming business models in particular.

The field of business ecosystems as a whole changes and evolves as new areas of expertise and companies emerge.

## Aviation

A significant aviation ecosystem has developed in the Tampere city region, including private training providers and technology developers, universities, an airport operator and many other stakeholders. Finland's leading aviation experts have established an internationally unique partnership network with the aim of developing export products related to aviation, transport and their management and thus making Finland the leading country in aviation training. Tampere University and Tampere University of Applied Sciences are launching the country's first export project for higher education in the aviation sector, in which paid education is offered to students from outside Finland and Europe. The package also constitutes one of the top areas of Business Tampere's education export measures.

Ideas put forward regarding the targeting of measures

**The development of ecosystems must be an objective at global level, and the importance of networks must be high.**

**Creating scalable solutions together, but also protecting intellectual property. Quick trials, openness in networking, protection of solutions in internationalisation and public-private partnerships in ecosystems are the operational models.**

**Availability and long-term nature of national funding, in particular Business Finland funding. Help in the protection of intellectual property rights must also be taken into account.**

**Business-to-school collaboration, especially in professional training, to meet future needs**

**Establishing a Creative Business Tampere entity that brings together expertise across different sectors and takes care of the development of the business conditions in the context of the ECOC application. This will continue to enable the promotion of the ECOC project entity of AR/VR, gaming industry and digital platforms as a part of the Creative Business Tampere package.**





## 7.5 Developing proactive land policy and accessibility

Proactive land policy, attractiveness of relocation and relocation services for businesses as well as accessibility and logistics in the region are all very valuable for business growth and competitiveness. Proactive land policy can even be seen as a prerequisite for other success factors. If successful, it provides a solid basis for growth and competitiveness in the region. Cooperation between businesses, business life, land use and town planning must be smooth and the aims mutually consistent.

The attractiveness of the region is the sum of many factors, and their importance to the company varies on a case-by-case basis. The importance of relocation services will be emphasised at the latest at the stage where the initial interest in relocation and contact with the region already exist and the company needs more detailed information on matters that are relevant to it. Accessibility, location and connectivity in the region as a whole are a very critical and fundamental success factor and, like proactive land policy, a prerequisite for success in many other areas.

The Tampere city region is the region with by far the best accessibility by rail and road in Finland. Good accessibility and fast access to international destinations are vital for a strong business life and its growing internationalisation. Intellectual capital, such as university activities and the preservation and continued development of international cooperation in education in the region, can only be guaranteed in the future by establishing effective international transport links in the region.

Only a well-functioning airport and air connections will enable the export industry and the rest of the economy to grow. Tampere-Pirkkala's central location creates an excellent accessibility zone for the airport.

Ideas put forward regarding the targeting of measures

**A regular dialogue and a concrete forum for cooperation to support proactive land policy, highlighting, for example, the needs of business life in terms of land use and planning The aim is flexibility and enabling.**

**A common overall view of the long-term objectives of accessibility and defined priorities for different projects, understanding that the projects do not exclude each other, such as the one-hour train service and the increase of direct connections to Tampere-Pirkkala**

**Developing efficient local transport travel chains, especially between the workplace and home**



## 7.6 Exploiting the opportunities of sustainable development

Exploiting the opportunities of social responsibility and circular economy as competitive factors in business operations is a critical focal point of both current and entirely new business. The requirements and opportunities of sustainable development permeate all sectors. There is a need in all sectors to move toward cleaner and more sustainable solutions, more responsible sourcing and transparent supply chains, and to design and production that takes into account the entire life cycle of products and minimises environmental impact.

Taking the needs of sustainable development into account is increasingly self-evident in the current business, but at the same time it offers completely new opportunities for business and differentiation in the market. In addition to RDI funding, public procurement plays an important role in promoting the development and deployment of new, more sustainable solutions to support national reference points for new climate-smart innovations. The developing ECO3 and Taraste circular economy areas, the Sulkavuori central treatment plant under construction and the urban and municipal climate targets contribute to the importance of sustainable growth in the city region.

Ideas put forward regarding the targeting of measures

**The development of a wider regional compensation model and its potential as a competitive factor for the city region, carbon sinks as a solution**

**Promotion of innovative procurement and experimentation and the influence of regulation**

**Development of ecosystems in the city region and its business areas in close cooperation with enterprises (e.g. ECO3, Taraste, Hiedanranta, LEMENE, etc.)**

**Taking sustainable development into account as a perspective in all focal points**

**New operating environments that combine innovation, sustainable development and life cycle thinking**



## 7.7 Developing services and service experience that meet the needs of businesses

Services customised for the needs of businesses at different stages of their life cycle, developing cross-organisational service paths and improving their service experience are critical development focuses of both the capacity for renewal and sustainable growth. Improving business experience is a complex phenomenon which must permeate all areas of activity horizontally. In order to improve business experience, it is vital to meet the customer as a company and as a person, listen to the customer and provide a service that adds value to the customer's business development.

To improve business experience in everyday service situations, the company needs to feel that it has been consulted, which is evident in, for example, the fact that it always receives a response. This success factor is broadly related to the region's business-friendliness and impact assessment, but also to the provision of an individual business service and the overall attitude toward entrepreneurship. Enabling consultation is a key element in the development and continuous improvement of services and requires effective channels for using the services and giving feedback. It is important to identify the factors and the places where business experience is created and where the right measures can be taken to create a positive experience.

To support business startups and growth, there must be an ability to build and produce a service path customised for the company's business needs, serving the company's different life cycle stages and situations. Business development services cover a wide range of local, regional and national services, and increasingly also directly international services. Close collaboration, exchange of information and even shared customer management among different business service providers will enhance the experience of the business customer and ensure that the company receives the service that meets its service needs in a timely manner.

The increasingly diverse use of digital solutions, artificial intelligence in particular, helps customise overall solutions and service paths that fit needs better. The role of the public actor is to play an active role as a service provider in situations where market failure can be seen and where the profitable and growth-oriented business development of companies requires a new type of service production that responds quickly to changes in the world. Business services should cover different life cycle situations, and particular emphasis should be placed on the creation of new businesses and startups on the one hand, and on enabling business growth on the other.

Digitality and utilisation of AI are also related to vitality data and the use of data analytics in knowledge management and forecasting. An up-to-date knowledge base, the analytics based on it and knowledge management practices aimed at utilising information are ways to ensure that the activities are based on the broadest possible understanding of current change phenomena. Working in networks and ecosystems both requires and generates a shared knowledge base. Data and information are also raw materials for the development of new services, the discovery of potential customers and enhancing the efficiency of operations.

The field of business development and its phenomena have become more complex with the rest of society. Vitality, competitiveness and the capacity for renewal and innovation as well as the new laws of ecosystems require a multi-dimensional understanding of what is happening around us. The value of the information has been recognised as high, although it is difficult to define its monetary value, and the effects that increase productivity are often indirect.

The thirst for reliable information is emphasised while the resources for seeking information are scarce and the time spent searching for information is in competition with other tasks. Instead of individual data orders and data searches, it is more efficient to produce key data content centrally and to share information in accordance with modern tools and open data principles to promote joint development work. Digitality and interfaces are perhaps already well-established in our language, but in practice they still require active promotion. Materials are being opened, but a significant part of the data is still paid, hidden or too low-quality to be used as it is. The tools used in analytics are developing with huge leaps. A pioneering role also involves accepting moderate risk in order to find the best solutions.

In order to provide businesses with an increasingly targeted and personalised service experience, continuous service development, rapid response and up-to-date information are needed. To do this, we need a wide range of measures – both agile and long-term.

Ideas put forward regarding the targeting of measures

**In order to support a diversified business structure, there must also be business services for the 'undergrowth' and the 'inbetweeners'. Are there also services for companies that fall between startups and established growth companies?**

**Understanding customers as a whole – for example, the multi-problematic clients in the social and health care sector, not solving partial problems in business services, either, but rather knowing the root causes by understanding the whole**

**More genuinely seamless service chains instead of sending customers running from one authority to another**

**Development of smart service paths**



## 7.8 Telling success stories

Communication is an important focal point to achieve a city region of superior capacity for renewal and sustainability. To achieve this vision, we need to collect success stories and tell a consistent, appealing story about a safe and regenerating Tampere region that is growing sustainably. Storification is an important tool at various levels, from the city region level down to individual companies and organisations providing training. It signals the capacity for renewal and innovation potential of the region.

A consistent narrative highlights the whole city region through attractive stories. This profiles all the municipalities in the city region as a close-knit part of the Tampere city region and helps municipalities benefit from the attractiveness of Tampere and the city region.

Ideas put forward regarding the targeting of measures

**Clarifying the goals of telling a story and deriving from them the actions, storification and communication, for example through joint campaigns**

**Visuality is an important part of telling a story.**



## 8 DESCRIPTION OF THE STRATEGY PROCESS

The economic strategy of the Tampere city region has been designed with a wide range of stakeholders. The process included two workshops with stakeholders, online surveys, group interviews and workshops for smaller focus groups. In total, more than 200 people participated in the process.

The strategy process started in April 2019. The work was based on the Business Tampere staff day, which discussed the relevance and development needs of the objectives of Creative Zest.

In April and May 2019, seven small group discussions were conducted in the strategy process, each involving 4 to 7 participants. A total of 32 people were interviewed in the strategy process. Invitations to group discussions were sent to representatives of the city, municipalities, lobbying organisations, funders, business networks and companies. The discussions focused on the trends and current situation of business activity in the Tampere region, the vision, the strategic objectives and the mutual roles of the economic operators. Each discussion took 90 minutes. The discussions were partly carried out on site at Business Tampere offices and partly remotely. The discussions were transcribed, and analysis of the interview material highlighted key themes. The summary of the results of the interviews has been used to define visions and objectives and has also been published as a separate report. This strategy report also contains excerpts from the group interviews.

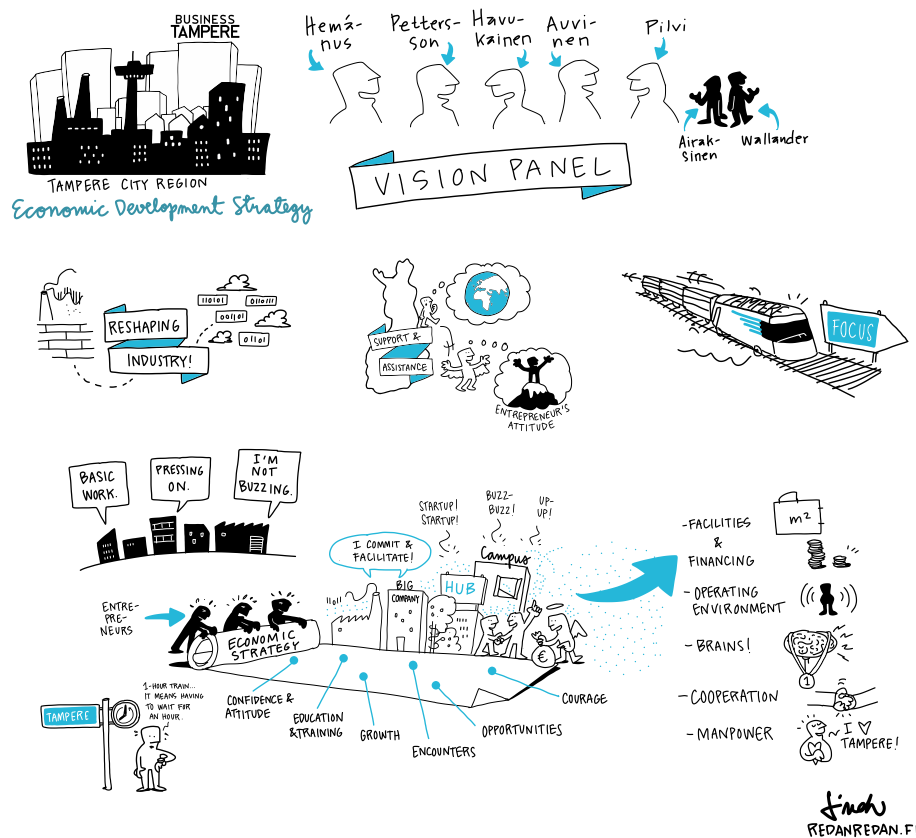


Figure 15. Vision workshop panel discussion on the future of business and its development vision on 28 May 2019

To provide background for the vision workshop in May, an online survey was prepared, focusing on the strengths and weaknesses, vision, areas of concern, strategic objectives and roles of business operators in the city region. The survey was carried out in April and May 2019. Requests to take the survey were sent out with the invitation to the vision workshop. In total, 64 respondents took the survey before 24 May. The results were analysed using frequency distribution, and open answers were compiled and analysed through content analysis. The online survey results were used as material for the vision workshop.

Alongside the empirical work phases, the Sente research team of Tampere University conducted current situation analysis and retrospective impact evaluation.

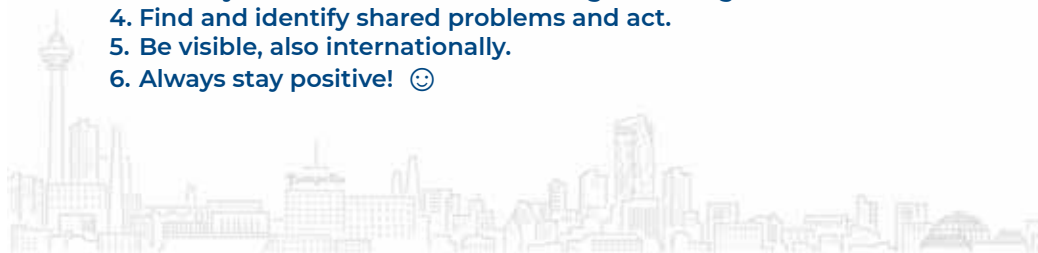
The first vision workshop was held on 28 May with 94 participants. Background was provided for the workshop with introductions and panel discussions (see Figure 15). The vision and objective concepts defined during earlier work stages were voted on in the workshop, and their content was discussed in small groups. The materials, list of participants and voting results of the workshop were put together to serve as materials for strategy work.

In June, an external management team comprised of the business development directors of Business Tampere's shareholder municipalities discussed the results of the strategy process and success factors critical to achieving the vision and objectives at a separate strategy day event. The critical success factors were used to formulate focal points.

Also in June, Business Tampere's staff day reviewed results of the strategy process (interviews, survey, vision workshop, work of the external management team) and collected the staff's views regarding the vision and strategic objectives. The principles for achieving the vision, among other things, were discussed at the summer and autumn staff days. (see Figure 16).

### **Operating principles for achieving the vision of “Superior capacity for renewal – sustainable growth”**

- 1. Know the companies in the city region, build a sustainable relationship with customers.**
- 2. Always increase value – if you cannot identify a value, do not act.**
- 3. Actively dismantle bunkers and bring actors together.**
- 4. Find and identify shared problems and act.**
- 5. Be visible, also internationally.**
- 6. Always stay positive! 😊**



*Figure 16. Results of the vision workshop of Business Tampere's staff day on 14 June 2019 – principles for achieving the vision*

In September 2019, another workshop took place which widely engaged stakeholders and went over different roles of various business operators in implementing the strategy and shared policies for steering activities. The workshop focused on opening and honing the activities of key focal points. Business Tampere organised a second staff day event connected to strategy work in September.

Over the course of September, the strategy was finished, ready for comments, and its website ([www.businesstampere.com/elinkeinostrategia](http://www.businesstampere.com/elinkeinostrategia)), was opened to enable a round of comments on the strategy. In the light of the comments, final editing of the strategy was carried out, and the final strategy was completed in November 2019.

## 9 HOW WILL WE PROCEED?

### Strategy follow-up

An inclusive and evolving strategy cannot be limited to preparing the strategy document. There must be a sustained process that brings together the assessments of companies and developers regarding the implementation, direction of development and needs. This will be achieved during the strategy period through follow-up and evaluation seminars organised with partners. Regional vitality indicators (see Figure 9) will be monitored to support the follow-up and evaluation seminars. These will be used as a basis for evaluating whether the strategy measures will suffice.

In addition, the activities of the key implementer, Business Tampere, will be focused and evaluated through annual contracts drawn up with funders. They include annual plans and evaluation criteria, which will be used to monitor the trends in the city region. The Economy in the Tampere Region report and the Situational Picture of Innovation in Tampere Region serve the same purpose.

### Implementing the strategy

Solid and seamless cooperation and a clear division of tasks between the economic development units of municipalities and the city region's economic development agency are vital for implementing the strategy and for the success of all activities. This is why there is an external management team, which includes representatives from the economic management of the owner municipalities and the company management. A second interface is Tampereen kaupunkiseudun yrittäjäpalvelut Oy, which provides, for example, advisory services for new startups.

The economic units of municipalities organise services for businesses in their municipality. These include services connected to business premises and lots, zoning plans, building permits, traffic arrangements and infrastructure. The economic bodies of municipalities have direct knowledge of the local businesses and opportunities to visit them. Through them, the services of the economic development company are accessible to businesses, and the necessary information on local special needs is transmitted to the company.

Business Tampere offers comprehensive electronic services for the needs of the city region. The company is responsible for many of the development entities mentioned in the strategy, such as ecosystem development, investment promotion and regional business marketing.

### Afterword

We wish to thank every person and organisation that contributed to the strategy process for their open, broad-minded and constructive contribution and engagement. Our shared passion for the development and prosperity of the Tampere city region is a driving force that will help us realise our shared vision and strategic objectives.