



## **Flash Eurobarometer 394**

# **THE ROLE OF PUBLIC SUPPORT IN THE COMMERCIALISATION OF INNOVATIONS**

## **SUMMARY**

Fieldwork: January – February 2014

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This survey has been requested by the European Commission, Directorate-General for Enterprise and Industry and co-ordinated by the Directorate-General for Communication.

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The interpretations and opinions contained in it are solely those of the authors.

**Flash Eurobarometer 394 - TNS Political & Social**

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**The role of public support in the  
commercialisation of innovations**

Conducted by TNS Political & Social at the request of the  
European Commission, Directorate-General for Enterprise and  
Industry

Survey co-ordinated by the European Commission,  
Directorate-General for Communication  
(DG COMM "Strategy, Corporate Communication Actions and  
Eurobarometer" Unit)

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## INTRODUCTION

The European Commission recognises the vital role innovation plays in Europe's ability to compete in the global economy, and is involved in guiding and implementing policies and programmes that support the development of innovation<sup>1</sup>. The importance of innovation is highlighted by the Europe 2020 flagship initiative "Innovation Union", with the key goal of helping Europe to increase investment in research and development, and to better translate research results into improved goods or services<sup>2</sup>. A cornerstone of this drive is the important role public procurement plays in fostering innovation from businesses and entrepreneurs<sup>3</sup>.

This Flash Eurobarometer, "The role of public support in the commercialisation of innovations"<sup>4</sup>, was conducted at the request of the Directorate-General for Enterprise and Industry in the 28 EU Member States as well as in Switzerland and the United States. It was designed to benchmark innovation activities in a range of areas, as well as explore barriers to commercialisation, and the role of public funding in innovation.

The survey covered the following areas:

- Profiles of companies that develop innovations, including the most common areas where innovations have occurred since January 2011
- The impact of innovations on turnover
- Actors involved in the development of ideas for innovation
- Types of public support received for innovation activities and its importance for innovation
- Barriers to commercialisation of both innovative and non-innovative goods or services
- The role innovation plays in public procurement, including involvement in the Public Procurement of Innovative Solutions.

This survey was carried out by TNS Political & Social network in the 28 Member States of the European Union between 22 January and 11 February 2014. Some 11.206 respondents from different social and demographic groups were interviewed via telephone (landline and mobile phone) in their mother tongue on behalf of the European Commission, DG Enterprise and Industry. The development of the questionnaire integrated contributions from the research done within the EC's European Innovation Scoreboard contracts which will be published in an explanatory report on alternative ways of measuring innovation written by Hugo Hollanders and Anthony Arundel of MERIT – University of Maastricht. Therefore references to the current Eurobarometer study might also be included on such report.

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<sup>1</sup> [http://ec.europa.eu/enterprise/policies/innovation/index\\_en.htm](http://ec.europa.eu/enterprise/policies/innovation/index_en.htm)

<sup>2</sup> [http://ec.europa.eu/research/innovation-union/index\\_en.cfm](http://ec.europa.eu/research/innovation-union/index_en.cfm)

<sup>3</sup> [http://ec.europa.eu/enterprise/policies/innovation/policy/public-procurement/index\\_en.htm](http://ec.europa.eu/enterprise/policies/innovation/policy/public-procurement/index_en.htm)

<sup>4</sup> This summary is based on the Report for FL394 on "The role of public support in the commercialisation of innovations" published with ISBN code 978-92-79-38031-0.

The methodology used is that of Eurobarometer surveys as carried out by the Directorate-General for Communication ("Strategy, Corporate Communication Actions and Eurobarometer" Unit)<sup>5</sup>.

A technical note on the manner in which interviews were conducted by the Institutes within the TNS Political & Social network is appended as an annex to this report. Also included are the interview methods and confidence intervals<sup>6</sup>.

Note: In this report, countries are referred to by their official abbreviation. The abbreviations used in this report correspond to:

ABBREVIATIONS			
BE	Belgium	LT	Lithuania
BG	Bulgaria	LU	Luxembourg
CZ	Czech Republic	HU	Hungary
DK	Denmark	MT	Malta
DE	Germany	NL	The Netherlands
EE	Estonia	AT	Austria
EL	Greece	PL	Poland
ES	Spain	PT	Portugal
FR	France	RO	Romania
HR	Croatia	SI	Slovenia
IE	Ireland	SK	Slovakia
IT	Italy	FI	Finland
CY	Republic of Cyprus***	SE	Sweden
LV	Latvia	UK	The United Kingdom
		CH	Switzerland
		US	The United States of America
		EU28	European Union – 28 Member States
		EU15	BE, IT, FR, DE, LU, NL, DK, UK, IE, PT, ES, EL, AT, SE, FI*
		NMS13	BG, CZ, EE, HR, CY, LT, LV, MT, HU, PL, RO, SI, SK**
		EURO AREA	BE, FR, IT, LU, DE, AT, ES, PT, IE, NL, FI, EL, EE, SI, CY, MT, SK, LV
		NON-EURO AREA	BG, CZ, DK, LT, HU, PL, RO, SE, UK, HR

\* EU15 refers to the 15 countries forming the European Union before the enlargements of 2004, 2007 and 2013

\*\* The NMS13 are the 13 'new Member States' which joined the European Union during the 2004, 2007 and 2013 enlargements

\*\*\* Cyprus as a whole is one of the 28 European Union Member States. However, the 'acquis communautaire' has been suspended in the part of the country which is not controlled by the government of the Republic of Cyprus. For practical reasons, only the interviews carried out in the part of the country controlled by the government of the Republic of Cyprus are included in the 'CY' category and in the EU28 average.

\* \* \* \* \*

*We wish to thank the people throughout Europe and the USA who have given their time to take part in this survey. Without their active participation, this study would not have been possible.*

<sup>5</sup> [http://ec.europa.eu/public\\_opinion/index\\_en.htm](http://ec.europa.eu/public_opinion/index_en.htm)

<sup>6</sup> The results tables are included in the annex. It should be noted that the total of the percentages in the tables of this report may exceed 100% when the respondent has the possibility of giving several answers to the question.

## EXECUTIVE SUMMARY

- Two thirds of companies (66%) have introduced at least one innovation since January 2011 – most likely innovative services (38%) or goods (37%).
- For at least six in ten companies, innovative goods or services contributed 25% or less to annual turnover in 2013 (61%), with 10% saying innovative goods or services made no contribution at all.
- Just over one in five companies have carried out research and development (R&D) activities since January 2011 (22%), but few have applied for one or more patents or trademarks (7%).
- Amongst companies that have introduced at least one innovation since January 2011, 46% say they have innovations that they also commercialise, while 19% have innovations, but do not commercialise them.
- More than three quarters of companies say management (87%) and employees (78%) contributed to the development of ideas for innovations while 54% say other companies contributed to the development of ideas for innovations.
- Most companies say they have not received public financial support for R&D or other innovation activities since January 2011 (91%)
- Companies are most likely to have collaborated with partner companies or external consultants (35%) or with client companies or individual consumers (33%) to market, distribute or promote innovative goods or services
- Just over one in ten companies have received some kind of support for commercialising their innovative goods or services (12%).
- Companies that received financial or non-financial support from governments or administrations for commercialising their innovations are most likely to say this support was not important (67%).
- Lack of financial resources is the main problem encountered in the commercialisation of innovative goods or services (68%).
- Almost three quarters of companies that have introduced innovative goods or services say other companies are important for the sale of these goods or services in 2013 (73%) while 63% say individual consumers are important.
- Since January 2011 almost one in five companies (18%) have won at least one public procurement contract.
- Just over one third of companies that won a public procurement contract sold innovative goods or services as part of this (38%).
- Around one in twenty companies have been involved in the Public Procurement of Innovative Solutions since January 2011 (6%).

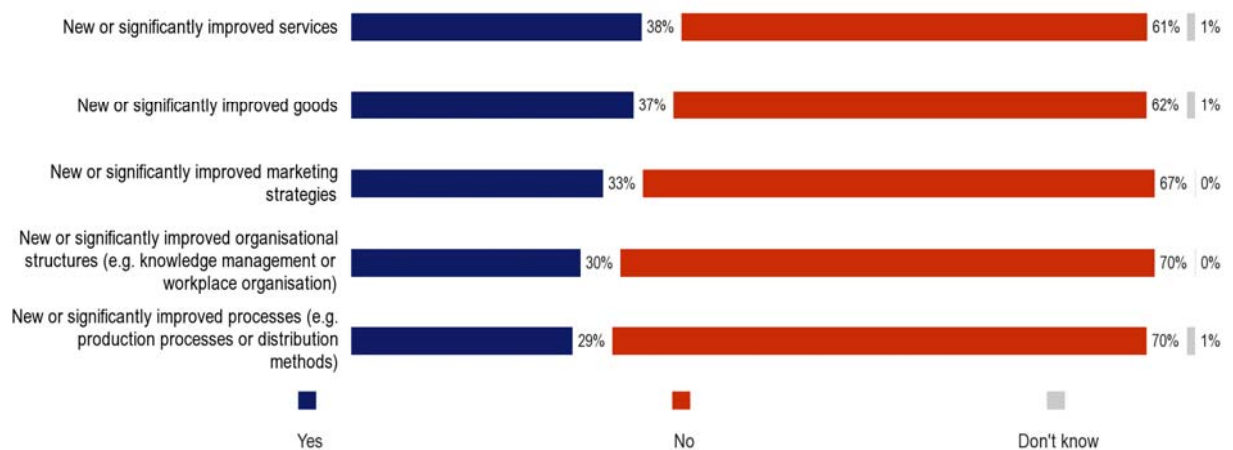
## 1. PROFILE OF COMPANIES DEVELOPING AND COMMERCIALISING INNOVATIONS

### 1.1. What types of innovations and how much they represent in the company's turnover

#### - Two thirds of companies have introduced at least one innovation since January 2011 -

Around three in ten companies have introduced innovations in each of the areas asked about since January 2011. Companies are most likely to have introduced new or significantly improved services (38%) or goods (37%). One third have introduced new or significantly improved marketing strategies (33%), while 30% have introduced new or improved organisational structures and 29% new or improved processes.

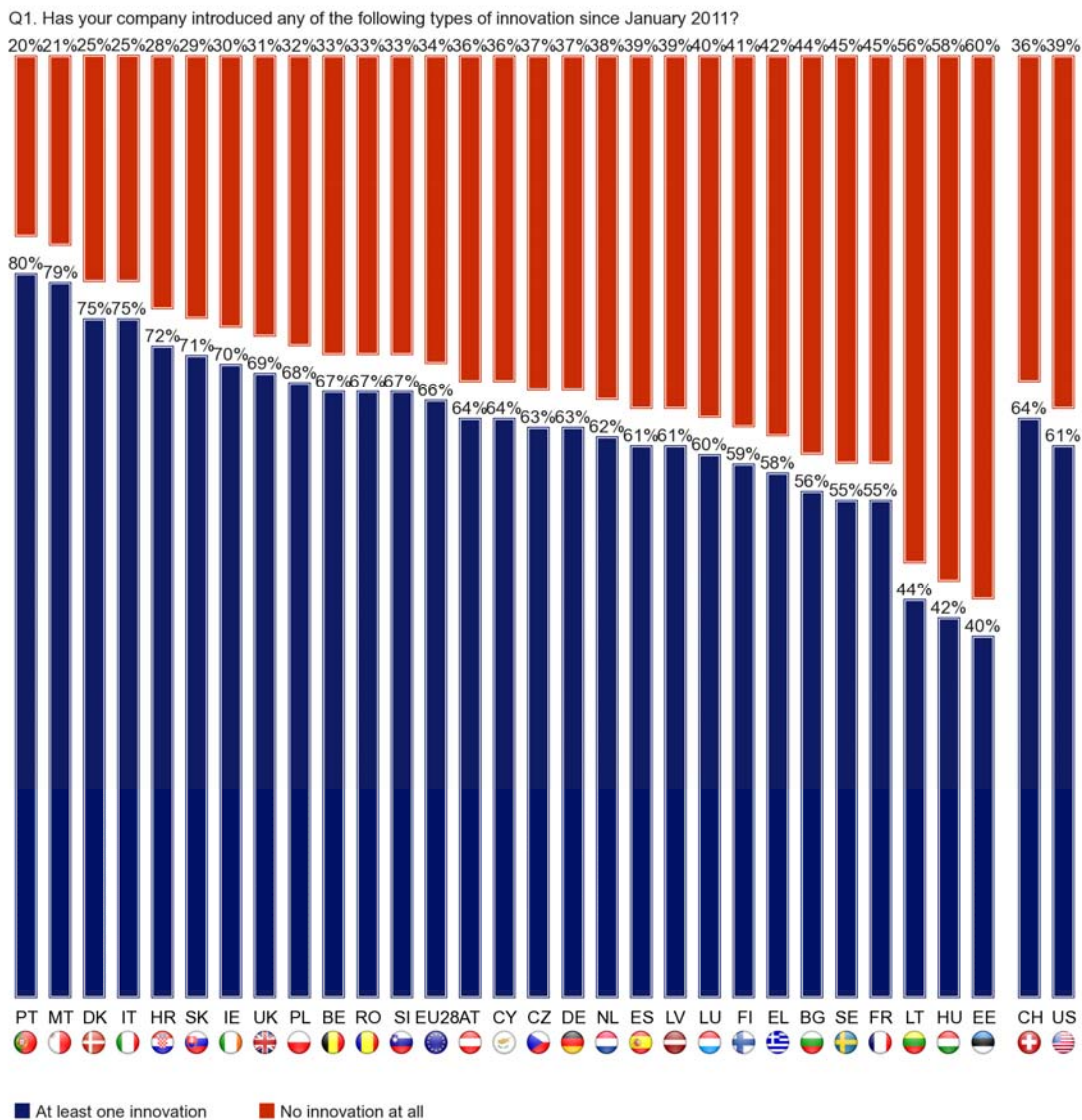
Q1. Has your company introduced any of the following types of innovation since January 2011?



EU28

Overall two thirds of companies (66%) have introduced at least one innovation in one of these areas since January 2011.

Companies in the US are slightly less likely than those in EU28 to have introduced at least one type of innovation since January 2011 (61% vs. 66%). Eight in ten companies in Portugal have introduced innovation in at least one of these areas since January 2011 (80%). Estonia, Hungary and Lithuania are the only MS where less than half of all companies have introduced at least one innovation (40%, 42% and 44% respectively).



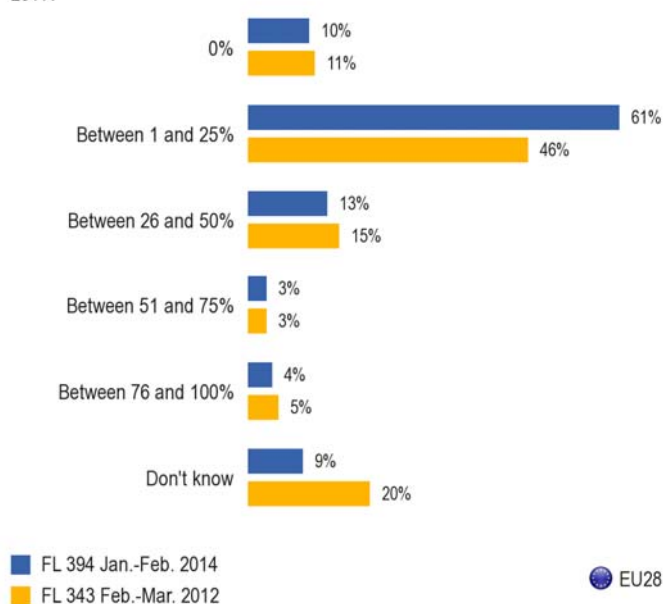
Companies that have introduced at least one innovation are more likely to be larger, particularly with 500+ employees (85% vs. 63% - 79% for smaller companies), be in the manufacturing (71%) or retail sector (69%) and have a high turnover in 2013.



### - For most companies 25% of their turnover in 2013 was due to innovation –

For at least six in ten companies (61%), innovative goods or services contributed 25% or less to the annual turnover in 2013. Compared to the last wave in 2012, companies seem now more aware of the extent of the contribution of innovative goods or services to the annual turnover (+11 percentage points<sup>7</sup>)<sup>8</sup>. At the same time, they are also now more likely to say that 1% to 25% of turnover is due to innovative goods or services (+15pp).

Q2. Approximately what percentage of your company's turnover in 2013 was due to innovative goods or services that have been introduced since January 2011?



Base: Those companies that have introduced an innovative good or services since January 2011

(n = 6 042, 54% of the total base)

Companies in Switzerland are more likely than those in EU28<sup>9</sup> and the US to say 1%-25% of company turnover in 2013 was due to innovative goods or services (69% vs. 61% and 60% respectively).

In all but one Member State the majority of companies say between 1% and 25% of turnover in 2013 was due to innovative goods or services introduced after January 2011.

Compared to 2012 companies in most Member States are more likely to say that between 1% and 25% of turnover was derived from innovative goods or services. Cyprus (-29pp), Finland (-3pp) and the Netherlands (-1pp) are the only Member States where the proportion of companies mention this amount declined. In comparison with 2012, companies in Latvia (+11pp), Slovenia (+10pp) and Romania (+8pp) are now more

<sup>7</sup> 'Percentage points' is hereafter referred to as 'pp'.

<sup>8</sup> In the previous wave this question was open-ended, however in this wave response categories were provided, which may have contributed to the changes between waves.

<sup>9</sup> In 6 countries results are based on responses of fewer than 150 companies: EE (109), CY (82), LT (138), LU (104), HU (134), MT (138).

likely to say that no turnover could be attributed to innovative goods or services, while companies in Hungary and Malta (both -13pp) are notably less likely to say this.

## 1.2. Activities related to innovations and commercialisation of innovations

### - One in five companies has carried out R&D since January 2011 –

Just over one in five companies have carried out research and development (R&D) activities since January 2011 – either in-house or via subcontractors. In contrast, fewer than one in ten have applied for one or more patents or trademarks (7%).

Companies in Finland are the most likely to have conducted R&D activities since January 2011 (40%), followed by those in the Netherlands (35%), Denmark (32%) and Ireland (30%). In contrast 6% of those in Lithuania and 7% of those in Luxembourg and Bulgaria say the same.

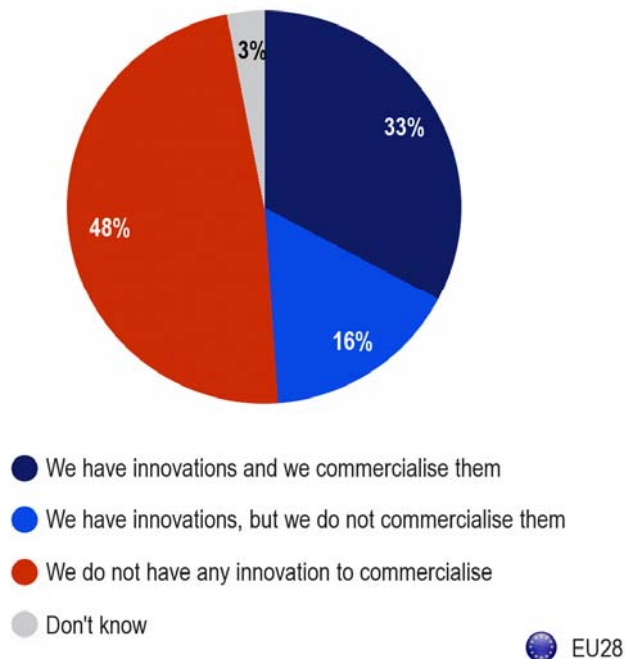
In general few companies in any Member State have applied for one or more patents or trademarks since January 2011. Companies in Germany (14%), Denmark (13%) and Austria (10%) are the most likely to have done this, while those in Poland (2%), Latvia, Romania and Estonia (all 3%) are the least likely to have done so.

For both aspects, there is little difference between the US or Switzerland and EU28.

### - Four in ten companies that have innovations also commercialise them -

Almost half of companies (48%) say that they do not have any innovation to commercialise, while a third (33%) have innovations and also commercialise them.

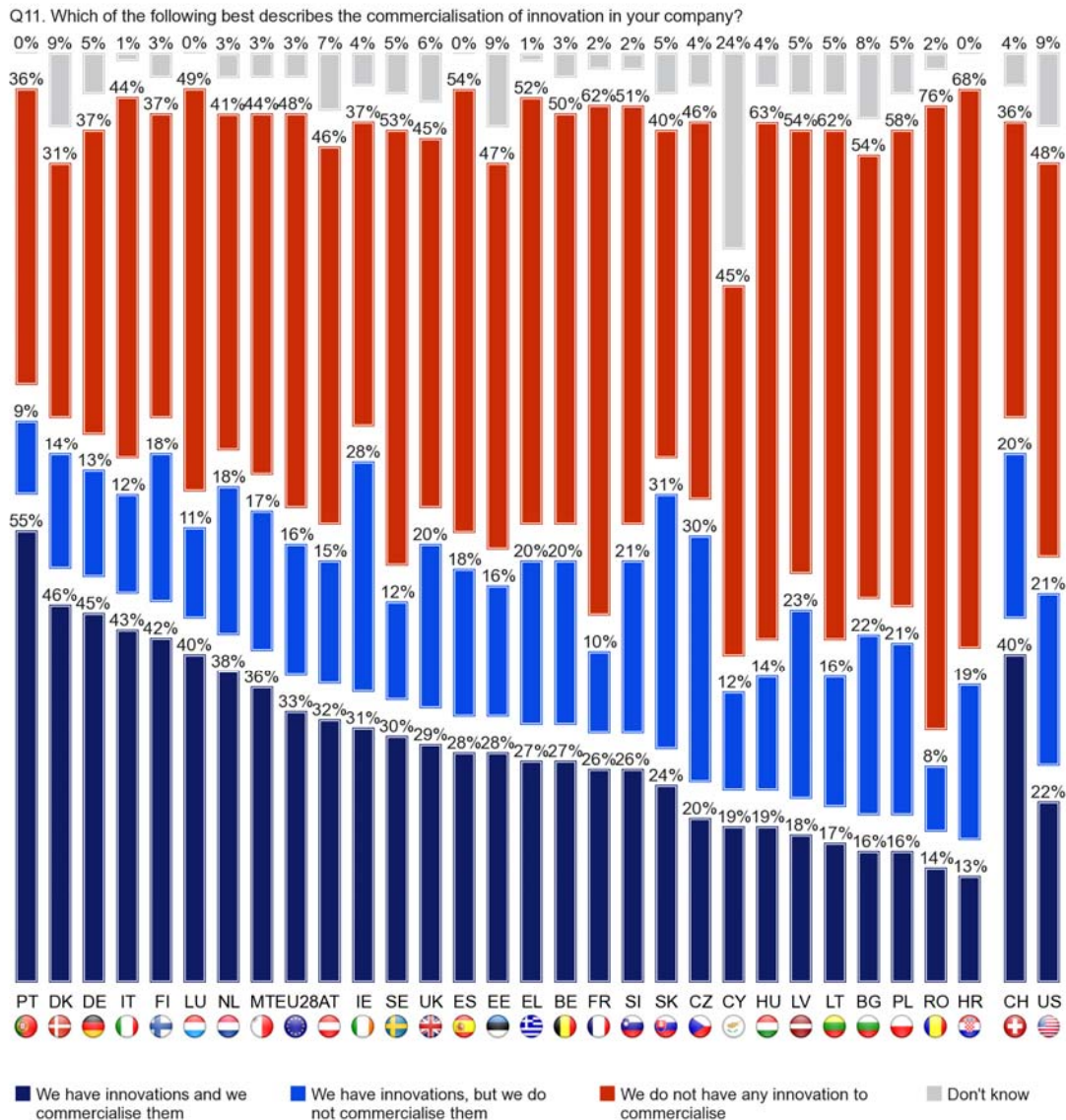
Q11. Which of the following best describes the commercialisation of innovation in your company?



Amongst companies that have introduced at least one innovation since January 2011, 46% say they have innovations that they also commercialise. A further 19% have innovations but do not commercialise them, while 32% say they have no innovations to commercialise (32%).

Only in Portugal more than half of companies say they have innovations and commercialise them. In addition, more than a third of companies in Malta (36%), the Netherlands (38%), Luxembourg (40%), Finland (42%), Italy (43%), Germany (45%) and Denmark (46%) also have innovations that they commercialise.

At the other end of the spectrum, Croatia and Romania (13% and 14% respectively) have the lowest proportion of companies that have innovations and commercialise them. Not surprisingly, these are also the countries that have the highest percentage of companies that do not have any innovations to commercialise (68% in Croatia and 76% in Romania).



### 1.3. Competition in the main market

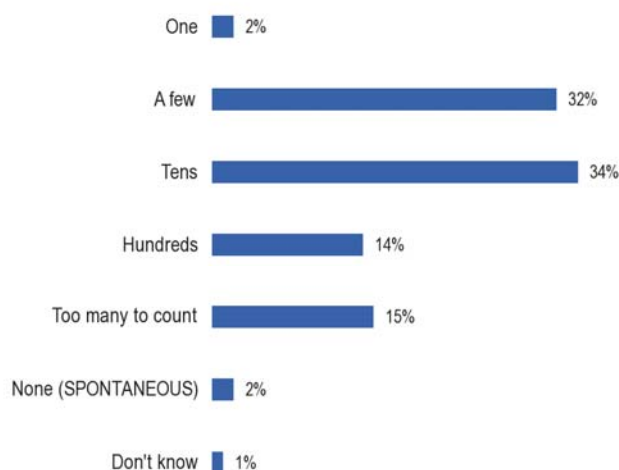
#### - Most companies say they have strong competition in their main market -

More than two thirds of companies say they have strong competition in their main market (69%), and in fact 18% of companies say competition is very strong. Just over one quarter (29%) say competition is weak, while 2% are unable to answer.

Companies in the US are slightly more likely to say their competition is strong compared to those in EU28 (74% vs. 69%). Across the EU, the majority of companies in each Member State say competition in their main market is strong.

Most companies report having between a few (32%) and tens (34%) of competitors. At least one in ten say they have hundreds of competitors (14%), while 15% say they have too many to count. Just 2% say they have one competitor, while 2% say they have none.

Q13. How many competitors does your company have in its main market?



EU28

No more than one in twenty companies in any Member State say they have just one competitor in their main market, with companies in Cyprus the most likely to say this (6%), and those in Estonia and Hungary the least likely (both 0%).

At least one third of companies in 14 Member States say they have a few competitors, with companies in Austria, Greece (both 49%) and Finland (46%) the most likely to say this. At the other end of the scale 19% of companies in Malta and 20% of those in Estonia say the same.

In 15 Member States at least one third of companies say they have tens of competitors in their main market, and this is particularly the case in Estonia (47%), Latvia (40%), Denmark and the Czech Republic (both 39%). Reporting tens of competitors is least likely amongst companies in Cyprus (24%) and Austria (22%).

## 2. THE DEVELOPMENT OF INNOVATION

This section of the report looks more in depth at the development of innovation, starting with a review of the contributors to the development of ideas for innovation.

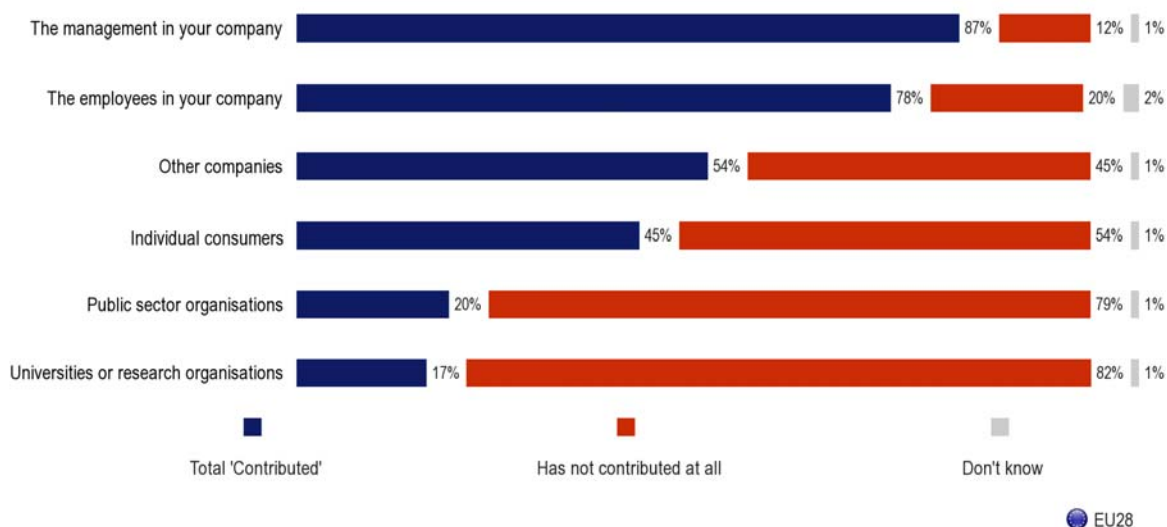
### 2.1. Where do the contributions for the innovations come from?

#### - Management and employees are the biggest contributors to innovative ideas -

Companies were asked about the role of various actors in developing ideas for the company's innovations since 2011. More than three quarters of companies say management (87%) and employees (78%) contributed to the development of ideas for innovations. Just over half (54%) say other companies contributed to the development of ideas for innovations, while 45% say individual consumers contributed. One in five

(20%) say the same for public sector organisations, while 17% say universities or research organisations made a contribution.

Q4. How much has each of the following contributed to the development of the ideas for your company's innovations since January 2011?



Base: Those companies that have introduced an innovation since January 2011

(n = 7 358, 66% of the total base)

Poland is the only Member State<sup>10</sup> where fewer than three quarters of companies say **management** has contributed to the development of ideas for the company's innovations (68%).

Companies in Portugal (92%), Croatia (89%) and Finland (87%) are the most likely to say that **employees** have contributed to the development of ideas for innovation, with those in Hungary (59%) and Poland (63%) less likely to do so.

In 15 Member States at least half of all companies say that **other companies** have contributed to the development of ideas for the company's innovations, and this is especially the case amongst companies in Portugal (75%) and Finland (73%).

There is a broad range of opinion when it comes to the contribution of **individual consumers** to the development of ideas for innovation. At least seven out of ten companies in Portugal say individual consumers have contributed (71%).

In general fewer companies say that **public sector organisations** have contributed to the development of ideas for innovations. Companies in Finland (37%), Latvia (33%) and Portugal (27%) are the most likely to say this.

<sup>10</sup> In 2 countries results are based on responses of fewer than 150 companies: CY (127) and LU (119).

Companies in Sweden (27%), Denmark (25%) and Finland (22%) are the most likely to say **universities or research organisations** have contributed ideas to the development of their company's innovations.

## 2.2. Origin and importance of public financial support for R&D and other innovation activities

### - Few companies have received public support for R&D or innovation activities -

Most companies say they have not received public financial support for R&D or other innovation activities since January 2011 (91%). Fewer than one in twenty (4%) have received local or regional government assistance, 3% received national government assistance and 3% assistance from the EU.

No more than one in five companies in any Member State have received some kind of public financial support for innovations or R&D. Companies in Belgium are the most likely to have received some kind of support, with 10% receiving local or regional assistance, 6% receiving national assistance and 5% of companies getting EU assistance.

No companies in Estonia, Luxembourg, Hungary or Romania received public financial support for R&D or innovations from this level of government or administration.

For companies that received public financial support of some kind there is an even split between those that say this support was important for developing innovations (48%) and those who say the support was not important (49%).

## 3. COMMERCIALISATION, MARKETING AND DISTRIBUTION

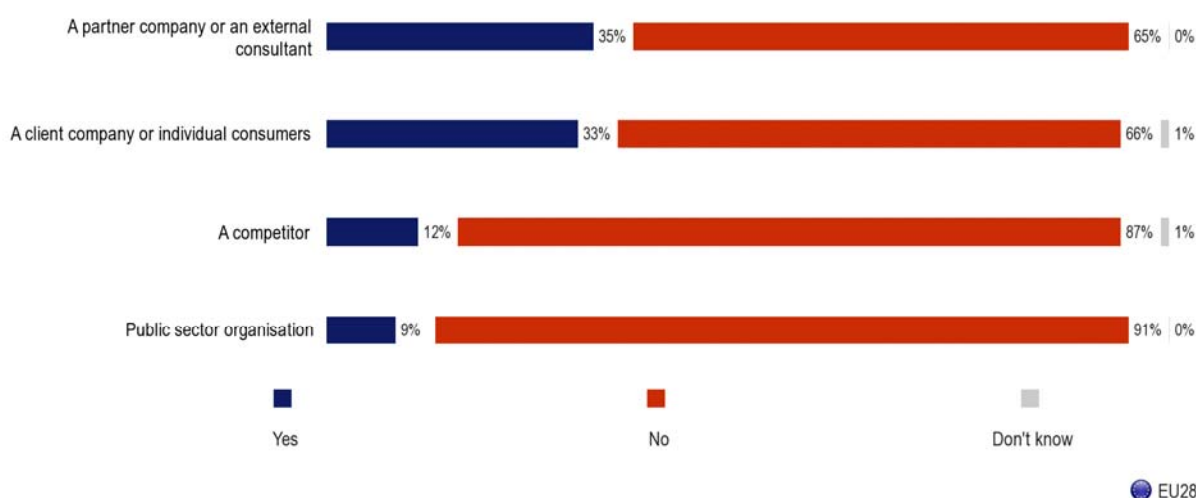
This section of the report deals with the commercialisation, marketing and distribution of both innovative and non-innovative goods or services.

### 3.1. Types of partners for the marketing, distribution or promotion of innovative vs. non-innovative goods or services

- Companies are most likely to have collaborated with partner companies or external consultants to market, distribute or promote innovative goods or services –

Just over one third of the companies that have introduced new or significantly improved goods or services since January 2011 have collaborated with partner companies or external consultants to market, distribute or promote innovative goods or services (35%). One third has collaborated with client companies or individual consumers (33%). Collaboration with competitors (12%) or public sector organisations (9%) to market, distribute or promote innovative goods or services is less common.

Q9a. Has your company collaborated with any of the following partners for the marketing, distribution or promotion of any of your innovative goods or services since January 2011?



Base: Those companies that have introduced an innovative good or services since January 2011

(n = 6 042, 54% of the total base)

Companies in EU28<sup>11</sup> (35%) are more likely than those in the US (28%), but less likely than those in Switzerland (40%) to say they have collaborated with partner companies or external consultants.

Germany, Estonia, Finland (all 52%) and Denmark (51%) are the only countries where at least half of all companies have collaborated with **partner companies or external consultants** to market distribute or promote innovative goods or services since January 2011. This compares to 18% of companies in Poland and 19% of those in the UK.
































Finland (56%), Estonia and Lithuania (both 53%) are the only Member States where at least half of all companies have collaborated with **client companies or individual consumers** to market distribute or promote innovative goods or services since January 2011. At the other end of the scale 20% of companies in the UK and 23% of those in France, Ireland and Hungary have done the same.

<sup>11</sup> In 6 countries results are based on responses of fewer than 150 companies: EE (109), CY (82), LT (138), LU (104), HU (134), MT (138).



**Q9a Has your company collaborated with any of the following partners for the marketing, distribution or promotion of any of your innovative goods or services since January 2011?**

**'Yes'**

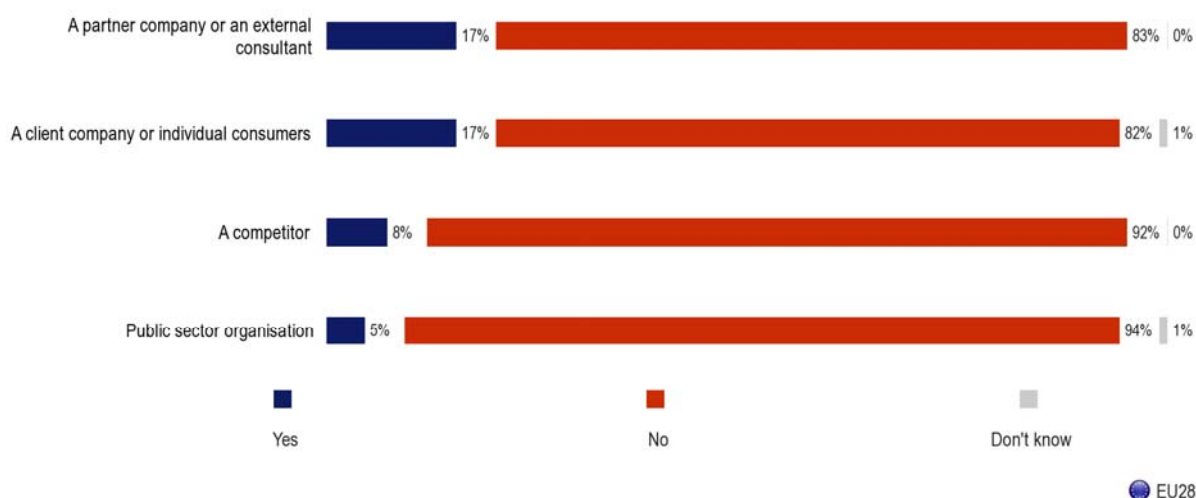
		A partner company or an external consultant	A client company or individual consumers	A competitor	Public sector organisation
	EU28	35%	33%	12%	9%
	BE	26%	26%	11%	8%
	BG	33%	35%	20%	11%
	CZ	40%	40%	19%	13%
	DK	51%	38%	13%	13%
	DE	52%	47%	12%	7%
	EE	52%	53%	21%	17%
	IE	28%	23%	11%	9%
	EL	43%	35%	7%	8%
	ES	24%	31%	12%	7%
	FR	26%	23%	8%	7%
	HR	41%	47%	29%	17%
	IT	41%	28%	13%	7%
	CY	27%	37%	23%	9%
	LV	37%	44%	27%	20%
	LT	42%	53%	30%	20%
	LU	25%	32%	10%	9%
	HU	34%	23%	8%	1%
	MT	34%	39%	15%	12%
	AT	42%	42%	14%	11%
	NL	45%	39%	15%	9%
	PL	18%	43%	13%	7%
	PT	26%	29%	7%	7%
	RO	34%	45%	23%	9%
	SI	30%	26%	18%	7%
	SK	31%	42%	14%	11%
	FI	52%	56%	19%	27%
	SE	41%	32%	8%	17%
	UK	19%	20%	7%	8%
	CH	40%	45%	20%	17%
	US	28%	31%	7%	11%

Base: Those companies that have introduced an innovative good or services since January 2011

(n = 6 042, 54% of the total base)

Companies that have not introduced new or significantly improved goods or services since January 2011 are less likely to have collaborated with any of these groups for marketing, distribution or promotion of any of their goods or services compared to those with innovations. Less than one in five have collaborated with partner companies or external consultants or with client companies or individual consumers (both 17%). Collaboration with competitors (8%) or public sector organisations (5%) to market, distribute or promote goods or services is even less common.

Q9b. Has your company collaborated with any of the following partners for the marketing, distribution or promotion of any of your goods or services since January 2011?



Base: Those companies that have not introduced any innovative goods or services since January 2011

(n = 5 164, 46% of the total base)

There are only six Member States<sup>12</sup> where at least one quarter of companies have collaborated with partner companies or external consultants for marketing, distribution or promotion of any of their goods or services: Denmark, Germany (both 32%), Sweden (29%), Cyprus (28%) and Austria and Finland (both 27%). In contrast 8% of companies in Portugal and Poland and 9% of those in Malta have done so. At least three in ten companies in Cyprus (34%), Lithuania (31%), Estonia and Latvia (both 30%) have collaborated with a client company or individual consumers, compared to 9% of those in Portugal and 11% of those in Hungary and Belgium.

<sup>12</sup> In 5 countries results are based on responses of fewer than 150 companies: DK (142), CY (118), LU (96), MT (62) and PT (142).

### 3.2. Types and importance of public support for commercialising innovations

#### - Just over one in ten companies have received some kind of support for commercialising their innovative goods or services -

Companies that have developed innovative goods or services since January 2011 were asked what kinds of financial or non-financial support they had received from government or administration to commercialise their innovations. Just over one in twenty have received support in training staff how to promote innovative goods or services (6%), while 4% had assistance meeting regulations or standards. Support in market testing, prototype development, marketing plan development or selling in export markets was received only by 2% of companies. Just 1% received support in applying for or managing intellectual property rights.

In general, relatively few companies in any Member State<sup>13</sup> received any of the kinds of assistance asked about. Companies in Romania (96%), the Czech Republic and Slovakia (both 95%) are the most likely to say they received none of the kinds of support mentioned, compared to 69% of companies in Spain and 74% of those in Belgium.

Companies in Spain (24%), Luxembourg (18%), Belgium (14%) and Cyprus (13%) are more likely than average to have received support in training staff how to promote innovative goods or services.

Along with those in the US, companies in Belgium (7%) are the most likely to have received support in meeting regulations or standards. Companies in Belgium are also the most likely to have received support with applying for or managing intellectual property rights (4%).

Companies in the US (14%) and Finland (8%) are the most likely to have received support developing a marketing plan.

Support for developing a prototype is most likely to have been received by companies in the Netherlands (9%).

Support in selling in export markets is most likely to have been received by companies in Luxembourg (6%).

Companies in Croatia and Ireland (both 6%) are the most likely to have received support for market testing a good or service before launch.

Companies that received support from governments or administrations for commercialising their innovations are most likely to say this support was not important (67%), while 30% say the support was important.

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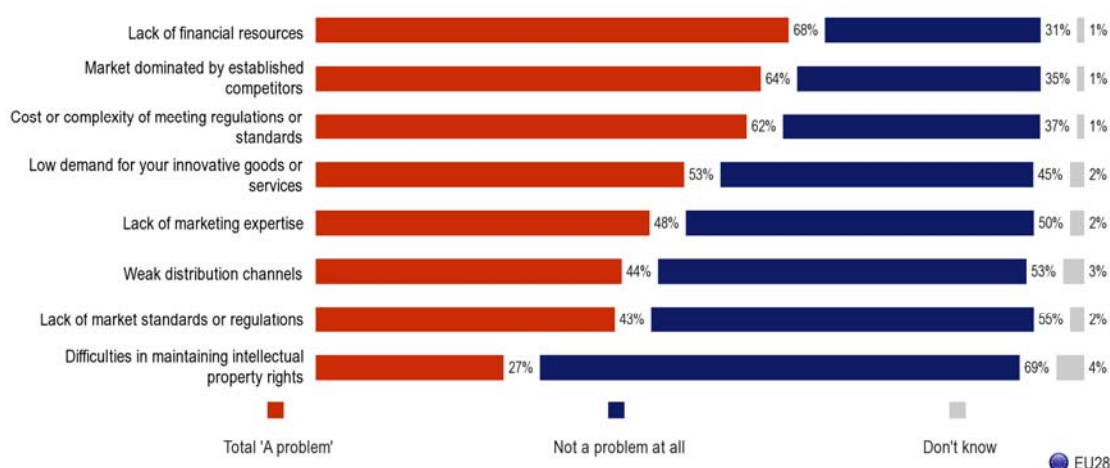
<sup>13</sup> In 6 countries results are based on responses of fewer than 150 companies: EE (109), CY (82), LT (138), LU (104), HU (134), MT (138).

### 3.3. Barriers to the commercialisation of innovative vs. non-innovative goods or services

#### - Lack of financial resources is the main problem encountered in the commercialisation of innovative goods or services -

Companies who have developed innovative goods or services since January 2011 were asked what barriers they had encountered when trying to commercialise them. More than two thirds (68%) say a lack of financial resources has been a problem, while 64% mention a market dominated by established competitors and 62% the cost or complexity of meeting regulations or standards.

Q10a. Thinking about the commercialisation of your company's innovative goods or services since January 2011, has any of the following been a major problem, a minor problem or not a problem at all?



Base: Those companies that have introduced an innovative good or services since January 2011

(n = 6 042, 54% of the total base)

At least eight out of ten companies<sup>14</sup> in Cyprus (92%), Portugal (89%), Spain, Italy and Romania (all 80%) say a **lack of financial resources** has been a problem for commercialising innovative goods or services.

In all but two countries a majority say that a **market dominated by established competitors** has been a problem for the commercialisation of innovative goods or services, and this is particularly the case in Cyprus (83%), Poland (81%) and Portugal (80%).

<sup>14</sup> In 6 countries results are based on responses of fewer than 150 companies: EE (109), CY (82), LT (138), LU (104), HU (134), MT (138).

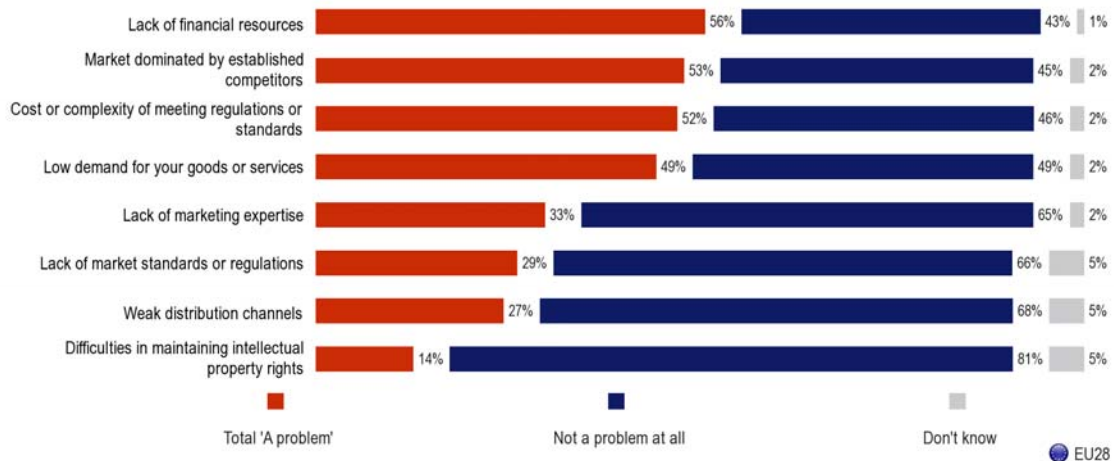
At least three quarters of companies in Italy (81%), Portugal (80%) and Spain (77%) say that **cost or complexity of meeting regulations or standards** have been problems for the commercialisation of innovative goods or services.

Cyprus (82%) and Portugal (76%) are once again featured in the three Member States where companies are most likely to say **low demand** has been a problem for the commercialisation of innovative goods or services, with Romania rounding out the top three (74%).

**- A lack of financial resources is also the main problem encountered in the commercialisation of non-innovative goods or services -**

Companies that have not developed innovative goods or services since January 2011 are most likely to say that a lack of financial resources is a problem for commercialisation of their goods or services (56%). At least half also say that a market dominated by established competitors (53%) and the cost or complexity of meeting market regulations or standards are a problem (52%), while almost half say low demand for their goods or services is a problem (49%).

Q10b. Thinking about the commercialisation of your company's goods or services since January 2011, has any of the following been a major problem, a minor problem or not a problem at all?



Base: Those companies that have not introduced any innovative goods or services since January 2011

(n = 5 164, 46% of the total base)

In 19 Member States<sup>15</sup> at least half of the companies say a **lack of financial resources** has been a problem for commercialising their goods or services, and this is especially the case for companies in Greece (86%), Portugal (77%) and Croatia (76%).

Companies in Poland (68%), the Czech Republic (67%) and Malta (65%) are the most likely to say a **market dominated by established competitors** is a problem for commercialising their goods or services.

Companies in Italy (68%), Croatia, Poland and Portugal (all 67%) are the most likely to say the **cost or complexity of meeting regulations or standards** has been a problem, compared to 16% of those in Estonia and 21% in Luxembourg.

Italy (46%), Poland (45%) and Portugal (42%) are also the most likely to say a **lack of marketing expertise** has been a problem, compared to 13% in Malta and 15% in Sweden.

At least three quarters of companies in Greece (83%), Spain (78%) and Portugal (77%) say **low demand** has been a problem for commercialising their goods or services.

### 3.4. Types of customers of innovative vs. non-innovative goods or services

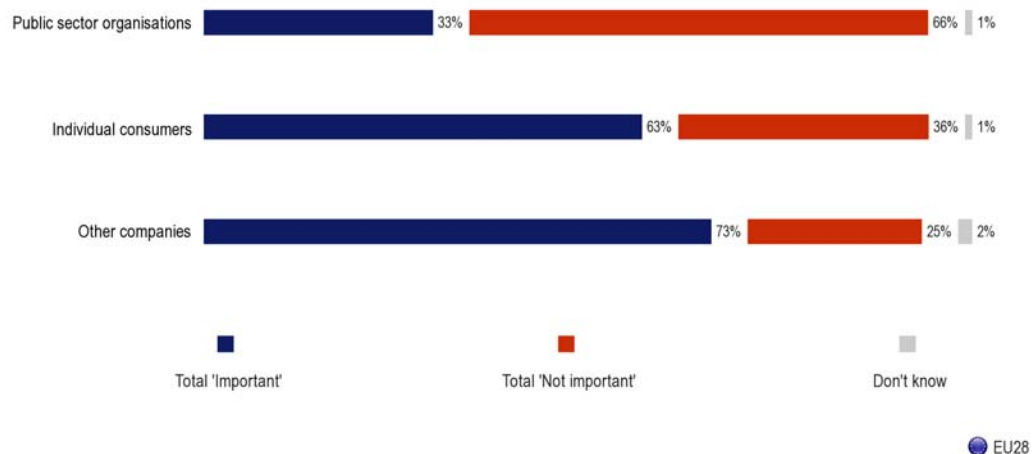
#### - Other companies are the most important customers for innovative goods or services –

Almost three quarters of companies that have introduced innovative goods or services say other companies are important for the sale of these goods or services in 2013 (73%). At least six out of ten say individual consumers are important (63%), while one third (33%) say public sector companies are important for the sale of their innovative goods or services.

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<sup>15</sup> In 5 countries results are based on responses of fewer than 150 companies: DK (142), CY (118), LU (96), MT (62) and PT (142).

Q14a. How important is each of the following customers, whether national or international, for the sale of your innovative goods or services in 2013?



Base: Those companies that have introduced an innovative good or services since January 2011

(n = 6 042, 54% of the total base)

Companies in EU28<sup>16</sup> are more likely than their counterparts in the US and Switzerland to say that **other companies** are important for the sale of their innovative goods or services (73% vs. 58% and 51% respectively).

In 22 Member States companies are most likely to say that **other companies** are important for the sale of their innovative goods or services. This is particularly the case in Bulgaria (86%), Croatia (84%), Greece (83%) and Spain (82%).

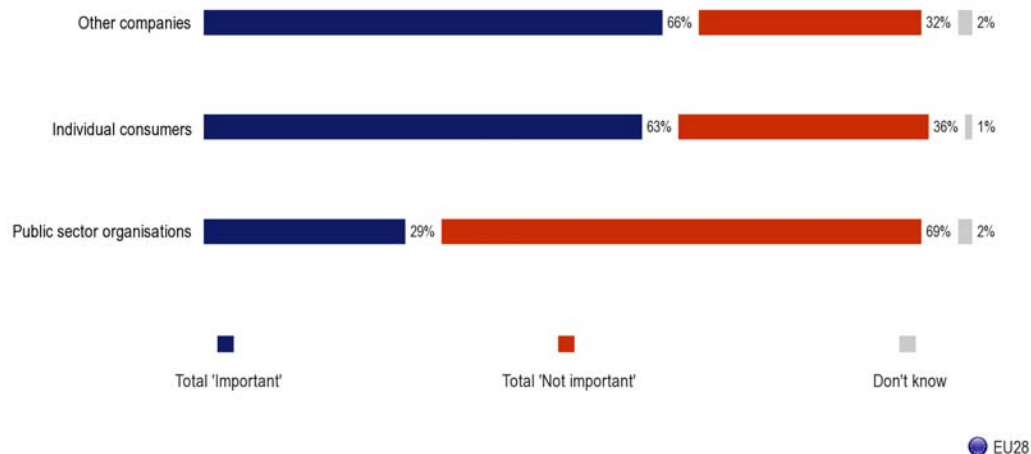
In the other six Member States companies are most likely to say that **individual consumers** are important for the sale of innovative goods or services: Luxembourg (83%), UK, Slovakia (both 79%), Ireland (75%), France (74%) and Cyprus (70%).

Companies are generally much less likely to mention **public sector companies** as important for the sale of innovative goods or services. In fact Luxembourg is the only country where at least half say this (51%), although public sector organisations are mentioned widely in Bulgaria (48%), the UK and Malta (both 46%).

#### - Other companies are also the most important customers for companies without innovative goods or services –

There is a similar pattern of responding for companies that have not introduced innovative goods or services. Almost seven in ten say other companies are important for the sale of these goods or services (69%) while 63% say individual consumers were important. Almost three in ten (29%) say public sector organisations were important for the sale of their goods or services in 2013.

Q14b. How important is each of the following customers, whether national or international, for the sale of your goods or services in 2013?



Base: Those companies that have not introduced any innovative goods or services since January 2011

(n = 5 164, 46% of the total base)

Companies in EU28<sup>17</sup> are more likely than their counterparts in the US and Switzerland to say that **other companies** were important for the sale of their goods or services in 2013 (66% vs. 56% and 47% respectively). Companies in Switzerland are also less likely than those in EU28 and the US to say **public sector organisations** are important (19% vs. 29% and 32%).

The majority of companies in all Member States but one say that **other companies** are important for the sale of their goods or services. This is particularly the case for companies in Croatia (91%), Bulgaria (82%), Finland (81%) and Slovakia (80%).

At least half of all companies in 26 Member States say that **individual consumers** are important for the sale of their goods or services, most notably those in Malta (87%), Ireland (82%), Slovakia and Portugal (both 78%).

As was the case for companies with innovative goods or services, those without are also least likely to say **public sector organisations** are important for the sale of their goods or services (29%). In fact less than half of the companies in each Member State say that public sector organisations are important in this way, with companies in Slovakia (43%), the UK and Finland (both 41%) the most likely to say this.

<sup>16</sup> In 6 countries results are based on responses of fewer than 150 companies: EE (109), CY (82), LT (138), LU (104), HU (134), MT (138).

<sup>17</sup> In 5 countries results are based on responses of fewer than 150 companies: DK (142), CY (118), LU (96), MT (62) and PT (142).



#### 4. INNOVATION AND PUBLIC PROCUREMENT

This last section of the report looks at the relationship between innovation and public procurement.

##### **- Almost one in five companies have won at least one public procurement contract since January 2011 –**

Since January 2011 almost one in five companies (18%) have won at least one public procurement contract. More than one in ten submitted at least one unsuccessful tender (14%), while 14% investigated opportunities to bid but did not proceed. One in twenty (5%) have submitted at least one tender but the outcome is unknown. However, the majority of companies have not had any involvement with public procurement (57%).

At least one quarter of companies in Luxembourg (27%), France, Malta (both 26%), Lithuania, Portugal and Finland (all 25%) have won at least one public procurement contract since January 2011. At least one in five companies in Finland, Ireland (23%), France, Slovakia (both 21%), Austria and Denmark (both 20%) have had at least one unsuccessful public procurement bid.

##### **- More than one third of companies have sold an innovative good or service as part of a public procurement contract they won –**

Just over one third of companies that won a public procurement contract sold innovative goods or services as part of this (38%), while 60% did not.

Companies outside the euro area are more likely to say this than their euro area counterparts (43% vs. 35%).

##### **- Around one in twenty companies have been involved in the Public Procurement of Innovative Solutions -**

Around one in twenty companies have been involved in the Public Procurement of Innovative Solutions since January 2011 (6%), but most companies have not been involved (93%).

In general only a small proportion of companies in any Member State (or in the US or Switzerland) have been involved in the Public Procurement of Innovative Solutions. In fact Slovakia (12%), Luxembourg (11%) and Italy (10%) are the only countries where at least one in ten companies have been involved.

## **TECHNICAL SPECIFICATIONS**

## **FLASH EUROBAROMETER 394**

### **"The role of public support in the commercialisation of innovations"**

#### **TECHNICAL SPECIFICATIONS**

Between the 22<sup>nd</sup> of January and the 11<sup>th</sup> of February 2014, TNS Political & Social, a consortium created between TNS political & social, TNS UK and TNS opinion, carried out the survey FLASH EUROBAROMETER 394 about "The role of public support in the commercialisation of innovations".

This survey has been requested by the EUROPEAN COMMISSION, Directorate-General for Enterprise and Industry. It is survey co-ordinated by the Directorate-General for Communication (DG COMM "Strategy, Corporate Communication Actions and Eurobarometer" Unit). The FLASH EUROBAROMETER 394 covers businesses employing one or more persons in the Manufacturing (NACE category C), Retails (NACE category G), Services (NACE categories H/I/J/K/L/M/N/R) and Industry (NACE categories D/E/F) sectors in the 28 Member States of the European Union, Switzerland and the USA. Whenever a company was eligible the selected respondent had to be a general manager, a financial director or a significant owner. All interviews were carried using the TNS e-Call center (our centralized CATI system), except in Switzerland and the USA, where the interviews were carried locally. The sample was selected from an international business database, with some additional sample from local sources in countries where necessary. Quotas were applied on both company size (using four different ranges: 1-9 employees, 10-49 employees, 50-249 employees and 250 employees or more) and sectors (Manufacturing, Retail, Services and Industry). These quotas were adjusted according to the country's universe (sectors and business sizes in scope of the survey) but were also reasoned in order to ensure that the sample was large enough in every cell.

TNS has developed its own RDD sample generation capabilities based on using contact telephone numbers from responders to random probability or random location face to face surveys, such as Eurobarometer, as seed numbers. The approach works because the seed number identifies a working block of telephone numbers and reduces the volume of numbers generated that will be ineffective. The seed numbers are stratified by NUTS2 region and urbanisation to approximate a geographically representative sample. From each seed number the required sample of numbers are generated by randomly replacing the last two digits. The sample is then screened against business databases in order to exclude as many of these numbers as possible before going into field. This approach is consistent across all countries.

Readers are reminded that survey results are estimations, the accuracy of which, everything being equal, rests upon the sample size and upon the observed percentage. With samples of about 1,000 interviews, the real percentages vary within the following confidence limits:

**Statistical Margins due to the sampling process  
(at the 95% level of confidence)**

*various sample sizes are in rows*

*various observed results are in columns*

	5%	10%	15%	20%	25%	30%	35%	40%	45%	50%	
	95%	90%	85%	80%	75%	70%	65%	60%	55%	50%	
<b>N=50</b>	6,0	8,3	9,9	11,1	12,0	12,7	13,2	13,6	13,8	13,9	<b>N=50</b>
<b>N=500</b>	1,9	2,6	3,1	3,5	3,8	4,0	4,2	4,3	4,4	4,4	<b>N=500</b>
<b>N=1000</b>	1,4	1,9	2,2	2,5	2,7	2,8	3,0	3,0	3,1	3,1	<b>N=1000</b>
<b>N=1500</b>	1,1	1,5	1,8	2,0	2,2	2,3	2,4	2,5	2,5	2,5	<b>N=1500</b>
<b>N=2000</b>	1,0	1,3	1,6	1,8	1,9	2,0	2,1	2,1	2,2	2,2	<b>N=2000</b>
<b>N=3000</b>	0,8	1,1	1,3	1,4	1,5	1,6	1,7	1,8	1,8	1,8	<b>N=3000</b>
<b>N=4000</b>	0,7	0,9	1,1	1,2	1,3	1,4	1,5	1,5	1,5	1,5	<b>N=4000</b>
<b>N=5000</b>	0,6	0,8	1,0	1,1	1,2	1,3	1,3	1,4	1,4	1,4	<b>N=5000</b>
<b>N=6000</b>	0,6	0,8	0,9	1,0	1,1	1,2	1,2	1,2	1,3	1,3	<b>N=6000</b>
<b>N=7000</b>	0,5	0,7	0,8	0,9	1,0	1,1	1,1	1,1	1,2	1,2	<b>N=7000</b>
<b>N=7500</b>	0,5	0,7	0,8	0,9	1,0	1,0	1,1	1,1	1,1	1,1	<b>N=7500</b>
<b>N=8000</b>	0,5	0,7	0,8	0,9	0,9	1,0	1,0	1,1	1,1	1,1	<b>N=8000</b>
<b>N=9000</b>	0,5	0,6	0,7	0,8	0,9	0,9	1,0	1,0	1,0	1,0	<b>N=9000</b>
<b>N=10000</b>	0,4	0,6	0,7	0,8	0,8	0,9	0,9	1,0	1,0	1,0	<b>N=10000</b>
<b>N=11000</b>	0,4	0,6	0,7	0,7	0,8	0,9	0,9	0,9	0,9	0,9	<b>N=11000</b>
<b>N=12000</b>	0,4	0,5	0,6	0,7	0,8	0,8	0,9	0,9	0,9	0,9	<b>N=12000</b>
<b>N=13000</b>	0,4	0,5	0,6	0,7	0,7	0,8	0,8	0,8	0,9	0,9	<b>N=13000</b>
<b>N=14000</b>	0,4	0,5	0,6	0,7	0,7	0,8	0,8	0,8	0,8	0,8	<b>N=14000</b>
<b>N=15000</b>	0,3	0,5	0,6	0,6	0,7	0,7	0,8	0,8	0,8	0,8	<b>N=15000</b>
	5%	10%	15%	20%	25%	30%	35%	40%	45%	50%	
	95%	90%	85%	80%	75%	70%	65%	60%	55%	50%	

ABBR.	COUNTRIES	INSTITUTES	N° INTERVIEWS	FIELDWORK DATES		BUSINESSES
BE	Belgium	TNS Dimarso	402	22/01/2014	11/02/2014	572.234
BG	Bulgaria	TNS BBSS	400	22/01/2014	5/02/2014	294.587
CZ	Czech Rep.	TNS Aisa s.r.o	401	22/01/2014	5/02/2014	995.870
DK	Denmark	TNS Gallup A/S	400	23/01/2014	10/02/2014	280.192
DE	Germany	TNS Infratest	500	22/01/2014	4/02/2014	2.176.111
EE	Estonia	TNS Emor	400	22/01/2014	3/02/2014	54.526
IE	Ireland	IMS Millward Brown	401	22/01/2014	11/02/2014	164.047
EL	Greece	TNS ICAP	400	22/01/2014	11/02/2014	535.717
ES	Spain	TNS Demoscopia S.A	500	23/01/2014	11/02/2014	2.599.951
FR	France	TNS Sofres	500	22/01/2014	11/02/2014	2.707.181
HR	Croatia	HENDAL	400	22/01/2014	6/02/2014	166.195
IT	Italy	TNS ITALIA	500	22/01/2014	6/02/2014	3.974.602
CY	Rep. of Cyprus	CYMAR	200	22/01/2014	6/02/2014	47.794
LV	Latvia	TNS Latvia	400	22/01/2014	3/02/2014	83.951
LT	Lithuania	TNS LT	400	22/01/2014	29/01/2014	118.312
LU	Luxembourg	TNS Dimarso	200	22/01/2014	11/02/2014	29.618
HU	Hungary	TNS Hoffmann Kft	401	22/01/2014	7/02/2014	586.603
MT	Malta	MISCO International Ltd	200	22/01/2014	2/02/2014	335.476
NL	Netherlands	TNS NIPO	400	22/01/2014	11/02/2014	888.380
AT	Austria	TNS Austria	400	22/01/2014	6/02/2014	311.258
PL	Poland	TNS OBOP	500	22/01/2014	10/02/2014	1.557.706
PT	Portugal	TNS EUROTESTE	400	22/01/2014	11/02/2014	893.812
RO	Romania	TNS CSOP	400	22/01/2014	4/02/2014	455.192
SI	Slovenia	RM PLUS	400	22/01/2014	5/02/2014	119.908
SK	Slovakia	TNS AISA Slovakia	401	22/01/2014	11/02/2014	414.824
FI	Finland	TNS Gallup Oy	400	22/01/2014	11/02/2014	236.687
SE	Sweden	TNS SIFO	400	22/01/2014	7/02/2014	677.320
UK	United Kingdom	TNS UK	500	22/01/2014	11/02/2014	1.747.419
<b>TOTAL EU28</b>			<b>11.206</b>	<b>22/01/2014</b>	<b>11/02/2014</b>	<b>8.262.503</b>
CH	Switzerland	Leger Schweiz	400	23/01/2014	7/02/2014	146.219
US	United States	TNS CUSTOM RESEARCH	500	27/01/2014	11/02/2014	14.510.761
<b>TOTAL</b>			<b>12.108</b>	<b>22/01/2014</b>	<b>11/02/2014</b>	<b>20.065.702</b>