



# GE Global Innovation Barometer

## 2014 Edition – Global report

# About the GE Global Innovation Barometer

Now in its **fourth edition** and spanning across **26 countries**, the GE Global Innovation Barometer is an international opinion survey of **senior business executives**, all actively engaged in the management of their firm's innovation strategy.

The survey is conducted by **Edelman Berland** a consulting and research company on behalf of GE. The Barometer explores how the perception of innovation is changing in a complex, globalized environment.

It examines the way business executives around the world appreciate the **framework for Innovation** their country has developed, it also details the perspective from business on the most efficient **policies** to support Innovation.

Finally it adopts a **firm centric approach** to better understand the way international businesses adapt their innovation practices and strategies in a challenging economic environment.



# Sample and fieldwork details

3,209 phone interviews (in local languages)

Interview average duration: 35-40 minutes

Period: April 2<sup>nd</sup> to May 30<sup>th</sup> 2014

All respondents directly involved in the innovation strategy or process within their company. (31% C-Level,).

28% of companies operate globally, average company size is 650 employees

Average age of respondent is 44 years old



 New countries in 2014



# A comprehensive assessment of innovation

## 1 The ideal innovation process *Today's Drivers & Barriers*

Is the **ideal innovation process**...



- Planned or spontaneous?
- Integrated or autonomous?
- Internal or collaborative?
- Protective or offensive?
- Local or global

What are the **drivers and barriers of successful innovation**...



In general?



In your company?

The future of innovation in **specific sectors**:



The best type of innovation to drive the quality of **healthcare**



The ability of innovation to solve today's and tomorrow's **energy** challenges



## 2 Countries & Public policies *State of the National Innovation Framework*



Which country is the **leading innovation champion**?

What does **your country** do well?

- Cross-disciplinary research? Effective IP system? Private funding?

What do the **Public Authorities** in your country do well, or less well?

- Sufficient support to SMEs? To larger companies?
- Adequate budget allocation?

**Public policies** – your country's priorities should be:

- IP protection?
- Curriculum and talent management?
- Relationship between public / private sectors?
- To lead innovation through public procurement's decisions?

## 3 Innovation trends & practices *Myths & Realities*

**Familiarity, relevance, readiness** for your company:



- **Convergence of technology**
- **Collaboration**
- **Industrial internet**
- **Big data**

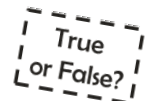
**The impact of the Industrial internet**...



- On the job market
- On energy consumption and dependency
- Leading the new Industrial Revolution

**Big data, data sciences and analytics:** buzz word or ...

- A critical priority?
- A source of internal power/influence?
- A rewarding investment?





# Detailed findings

GE  
GLOBAL  
INNOVATION  
BAROMETER

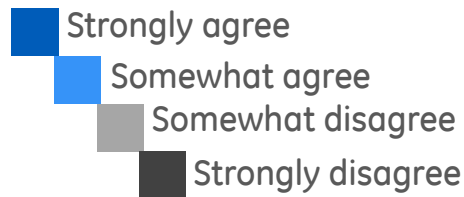
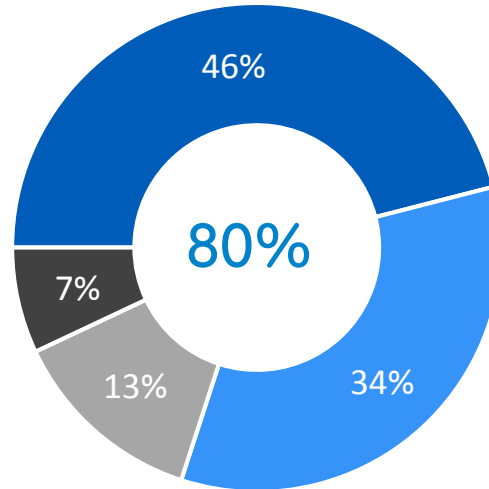


# MACRO TRENDS AT WORK TO CHANGE THE INNOVATION ENVIRONMENT

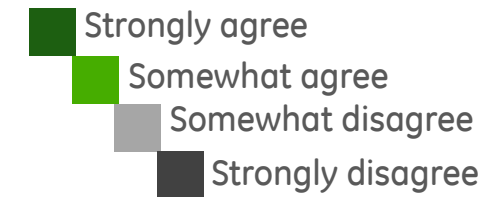
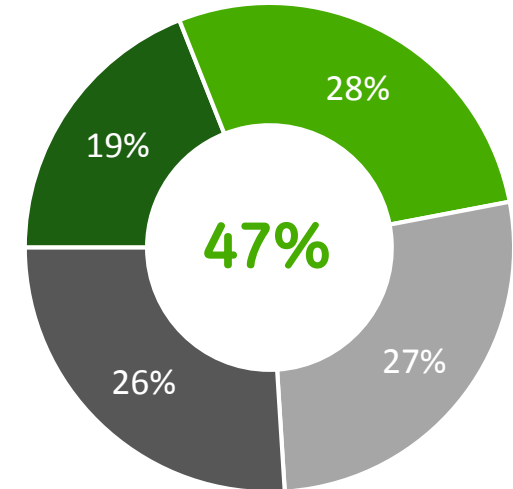


Innovation is acknowledged as a driver of general improvement in countries. But some executives sense a scepticism in national public opinion about the impact of technological innovation on inequalities

“PEOPLE IN MY COUNTRY LIVE BETTER TODAY THAN 10 YEARS AGO BECAUSE OF THE IMPACT OF INNOVATION ON THEIR LIFE AND ON OUR COUNTRY”



“THERE IS A STRONG FEAR THAT TECHNOLOGICAL INNOVATION WILL INCREASE INEQUALITIES”

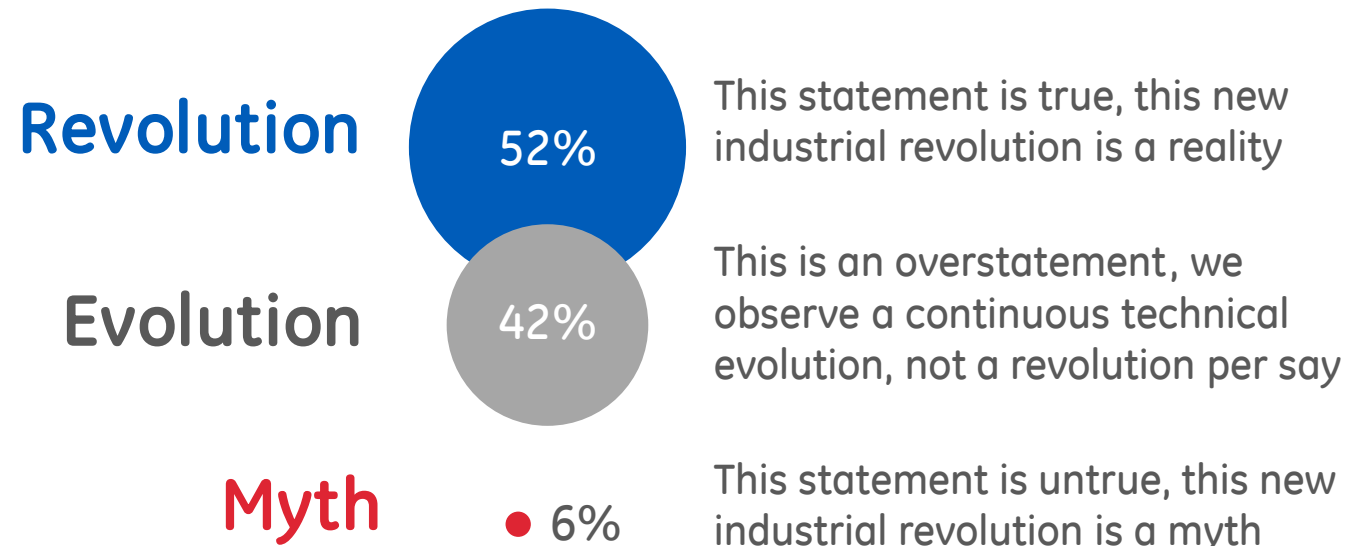


Q6-3. Would you say that you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the following opinions? Q10-4. Thinking about your country in particular, how far do you agree with the following statements? There is a strong fear that technological innovation will increase inequalities. Base: Global results N= 3,209



# A new Industrial Revolution? Split perceptions

“We are currently in a new Industrial Revolution at the meeting of hardware and software, a historical shift into the age of advanced manufacturing and industrial internet”



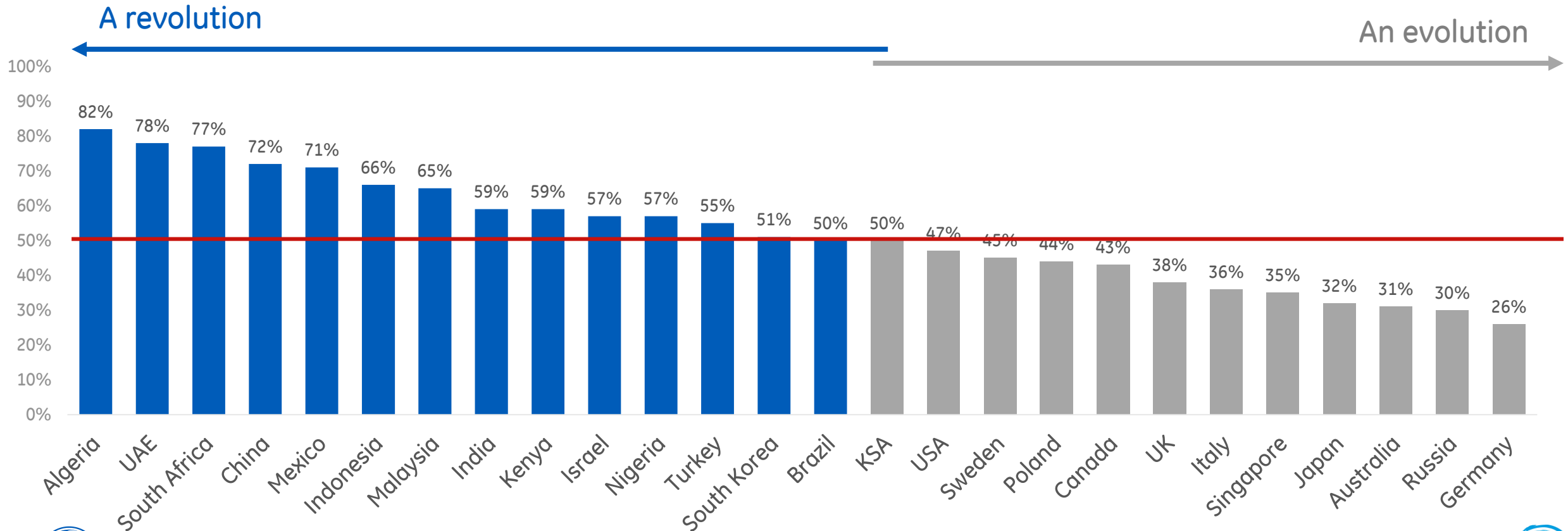
Q18-2. Now we are going to present different views on these emerging trends, we would like you to pick the one you feel is the truest or the most relevant. Base: Global results N= 3,209





# Continuity for developed markets, a radical change for the emerging ones

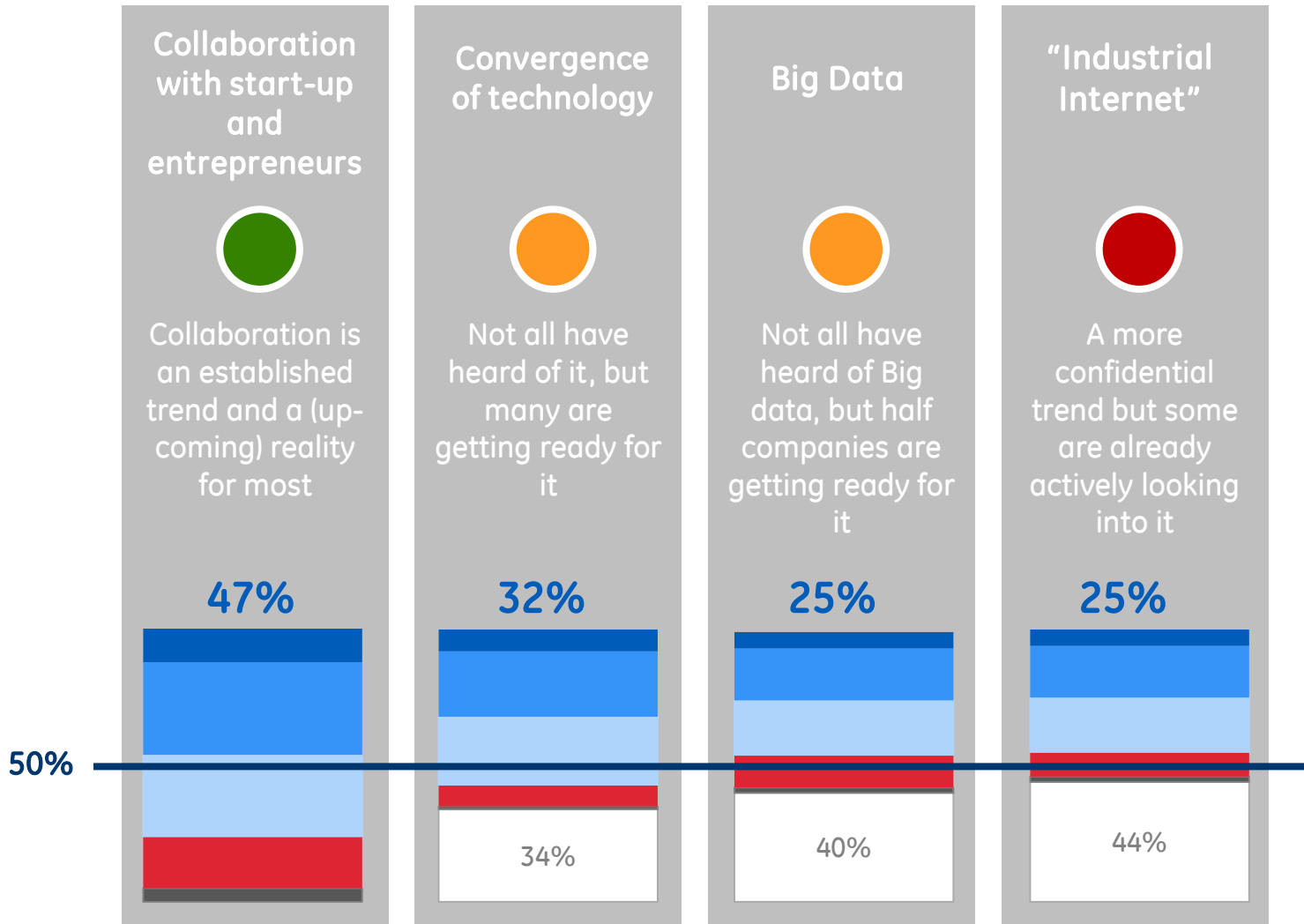
“We are currently in a **new Industrial Revolution** at the meeting of hardware and software, a historical shift into the age of advanced manufacturing and industrial internet”



Q18-2. Now we are going to present different views on these emerging trends, we would like you to pick the one you feel is the truest or the most relevant. Base: Country results N= 100- 300 per market



% OF BUSINESSES ALREADY EQUIPPED WITH A STRATEGY OR PROCESS TO MAKE THE MOST OF...



A multifaceted change, businesses are embracing by stages

% Totally /quite prepared

- Totally prepared
- Quite prepared
- Not quite prepared but planning to
- Not at all prepared and not planning to
- Don't know
- Never heard of it



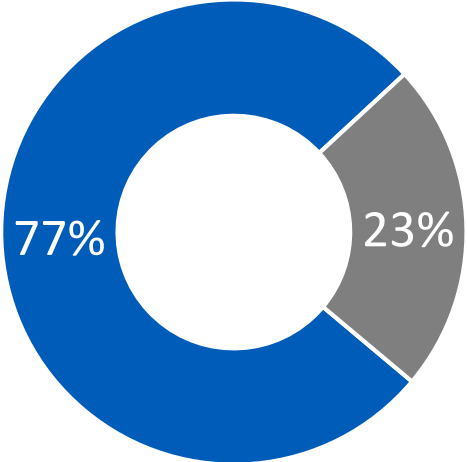
Q17. Is your business already equipped with a strategy or process to make the most of...  
Base: Global results N= 3,209



# External collaboration is now a reality, and demonstrates to be a profitable risk worth taking

COLLABORATING WITH EXTERNAL BUSINESS PARTNERS CAN PUT MY BUSINESS AT RISK AS REGARD INTELLECTUAL PROPERTY AND TRADE SECRETS...

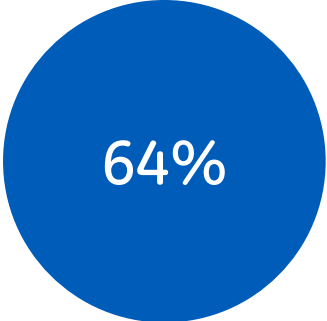
But this is a risk **worth taking** if you want to successfully innovate nowadays



And this is why you company should **avoid**

## The facts

The revenue and profit generated by **collaborative innovation activities** has been growing over the last year



My company embraces **open source innovation** – involving external stakeholders such as entrepreneurs in the internal development of new ideas



My company has already resorted to **crowdsourcing** soliciting contributions (ideas, content, investment, etc.) from a large and varied group of stakeholders for its innovation activities

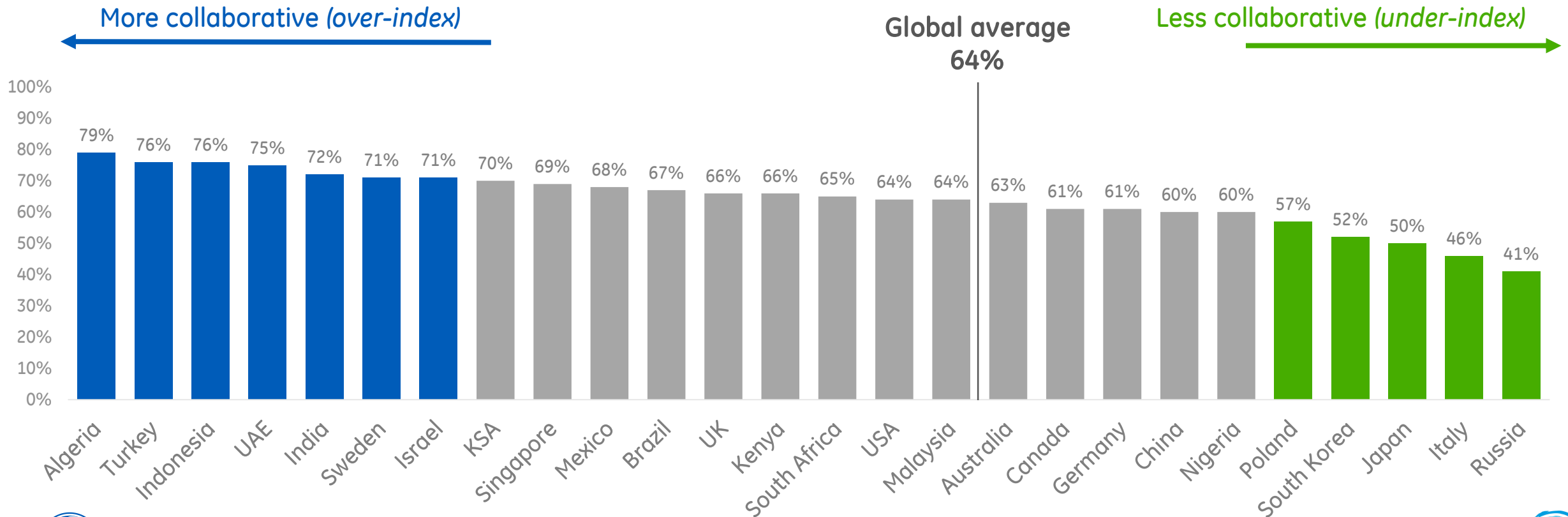


Q14. Which of these two statements is closer to your opinion? Q13. Which of the following apply in your company? Base: Global results N= 3,209



# Collaboration, a reality in most markets

AND THE REVENUE AND PROFIT GENERATED BY COLLABORATIVE INNOVATION ACTIVITIES HAS BEEN GROWING OVER THE LAST YEAR

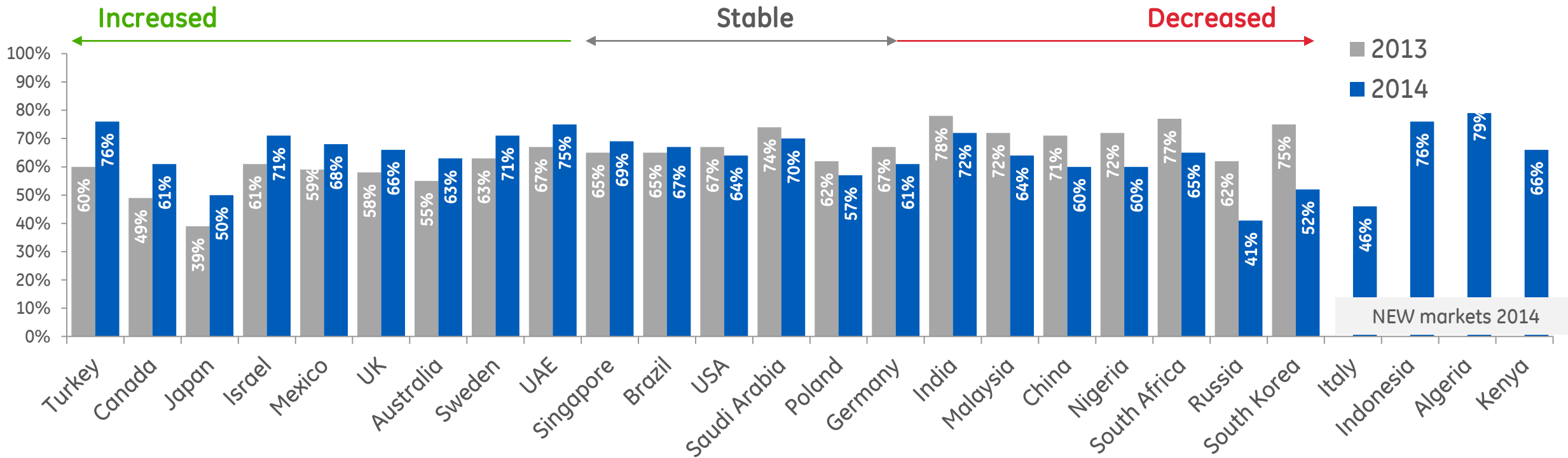


Q13. Which of the following apply in your company? YES Base: Country results N= 100-300 per market



# Some countries have increased their collaboration effort even further than last year

THE REVENUE AND PROFIT GENERATED BY COLLABORATIVE INNOVATION ACTIVITIES HAS BEEN GROWING OVER THE LAST YEAR

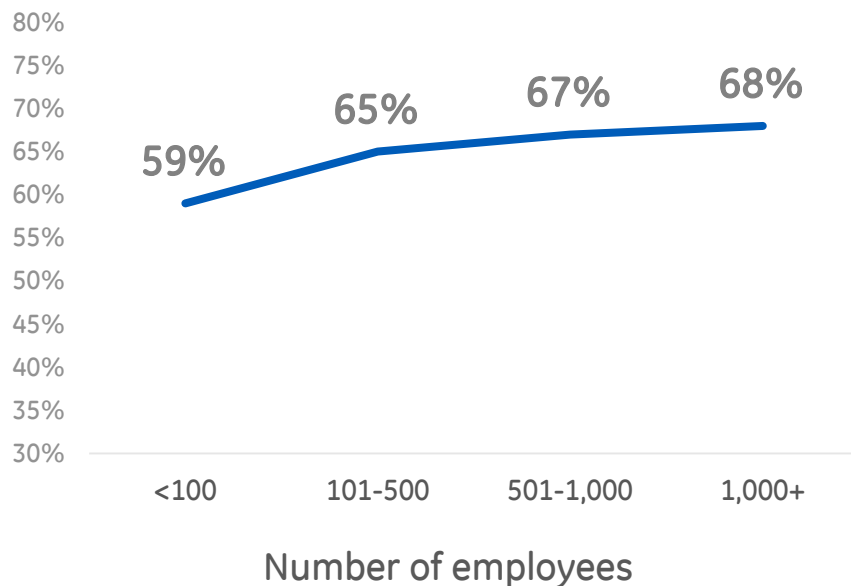


Q13. Which of the following apply in your company? YES Base: Country results N= 100-300 per market

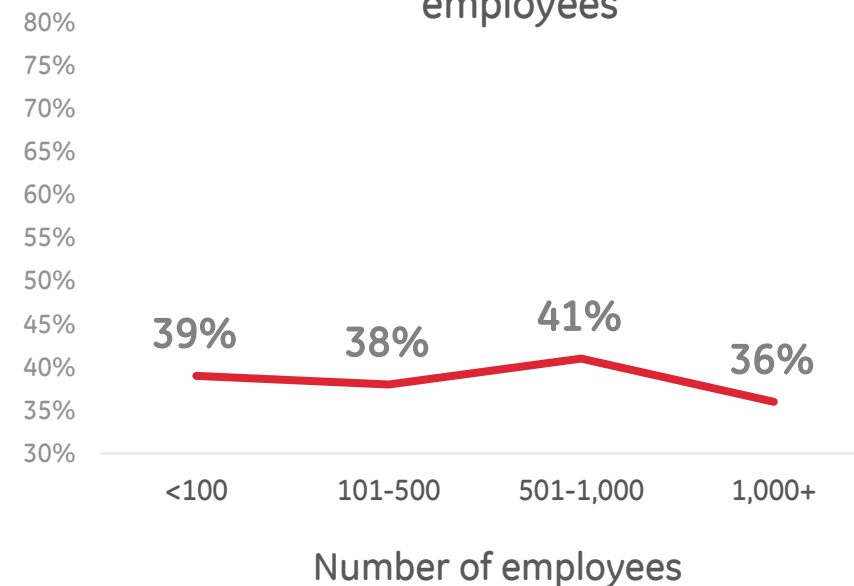


# The ability or willingness to embrace change varies by size of company

The revenue and profit generated by **collaborative innovation activities** has been growing over the last year



And similarly, **reinforcing IP** to encourage stronger collaboration between companies is critical especially for companies with 501 to 1,000 employees

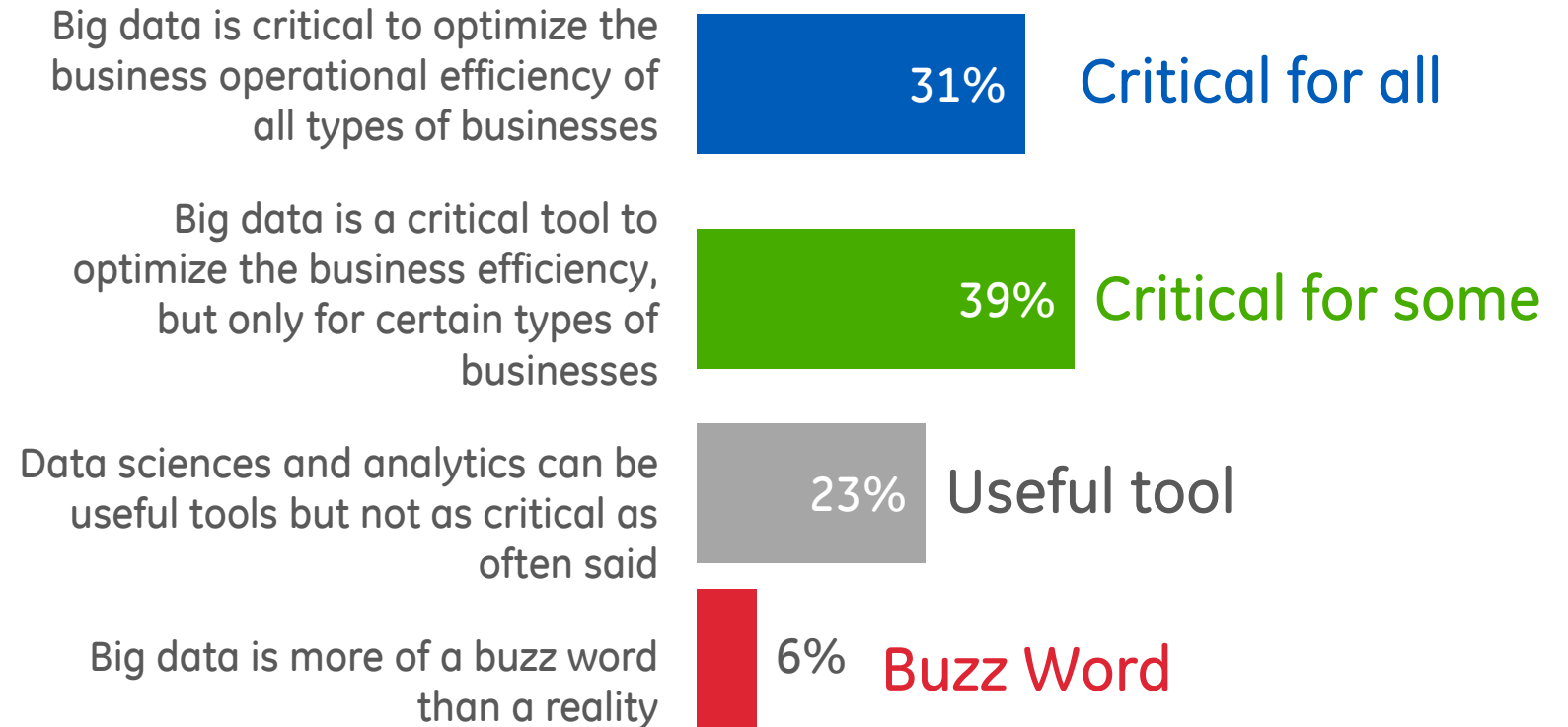


Q13-1. Which of the following apply in your company? (% Yes) & Q12-1. What are the main priorities your country should focus on to efficiently support innovation? (% critical priority)

Base: <100 employees N= 907; 101-500 employees N= 1045; 501-1,000 employees N=588; >1,000 employees N= 669

# Big data is no longer a buzz word

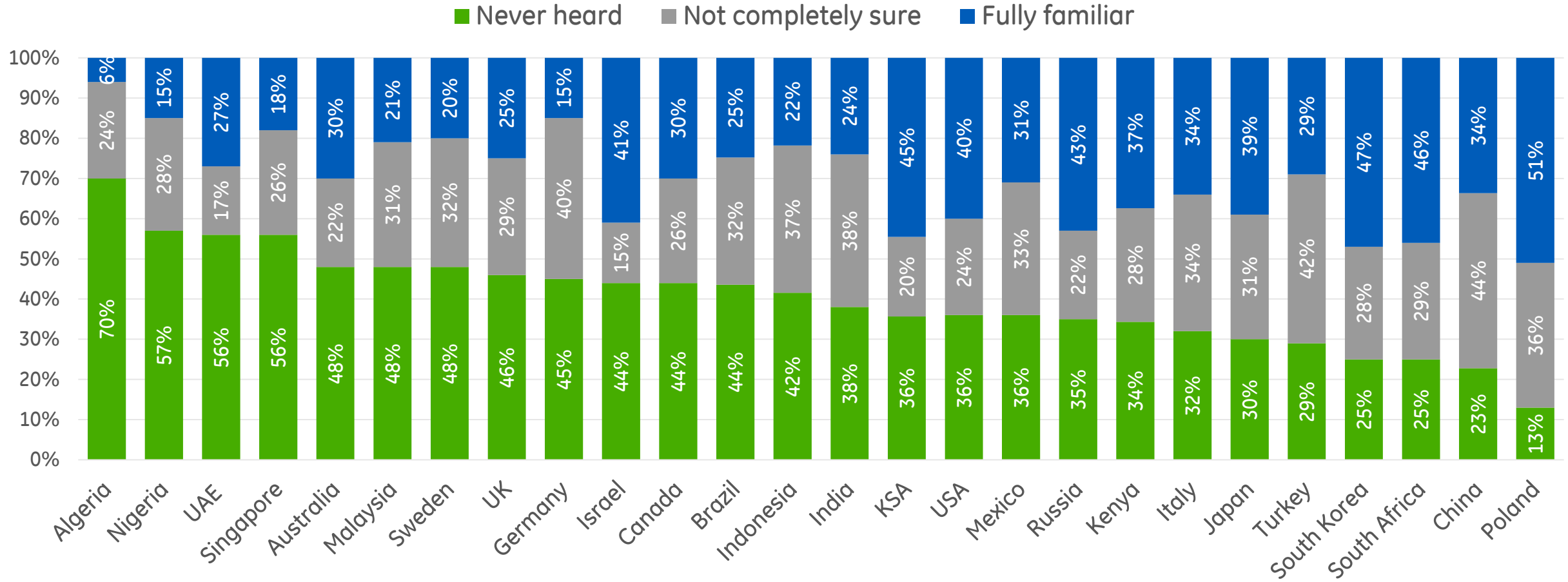
Do you believe in the importance of data sciences and analytics in enabling innovation?



Q19. Do you believe in the importance of data sciences and analytics in enabling innovation? By "Data sciences and analytics", also often referred to as "Big data", we mean the ability for a company to use analytics to create strategic knowledge from large and complex datasets. Base: Global results N= 3,209



# But not all markets are familiar with Big data



Q15-3. Are you familiar with the following notions? Big data Base: Country results N= 100-300 per market



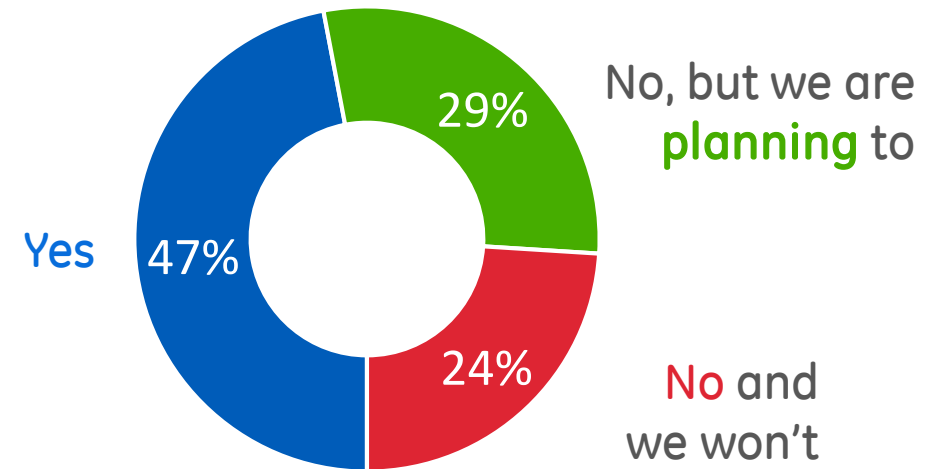


# Big data, the reality:



## THE FACTS

HAS YOUR COMPANY INCREASED ITS ABILITY TO ANALYZE LARGE AND COMPLEX AMOUNTS OF DATA OVER THE LAST YEAR?

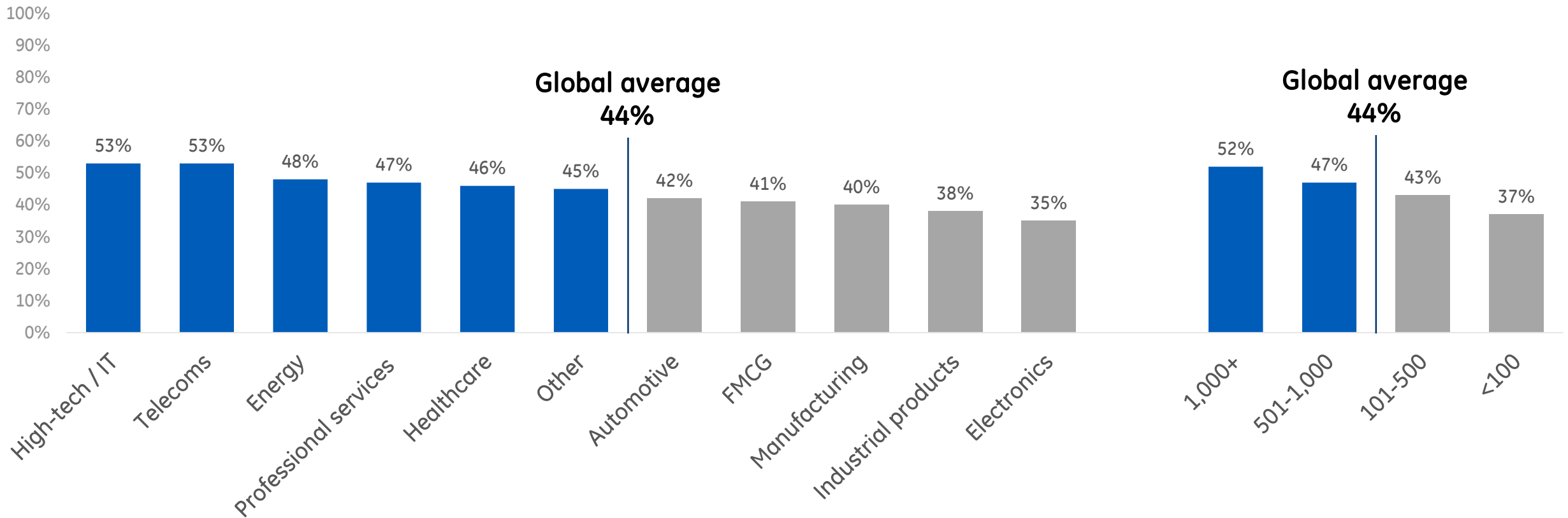


Q1-3 Q2-9 – innovation priorities, Base all n=3,209. Q21. Big data is / will be a real challenge for my company as it forces to allocate resources and budget at the expense of more traditional activities (e.g. marketing, insight, research, etc). Base Those which increased/planning to increase ability N= 1,851 //Q22/Has your company managed to make the most out of the data collected and convert this into added value for the innovation process? Base: Big Data users global N= 1,135 //20 bis/ Do data scientists, i.e. those who able to make sense of large amounts of data, have strong influence and authority in your company . Base Big data enabled companies N=721



# Sectors with more advanced technical expertise or more structured sets of data lead the change, but better be a larger company

NUMBER OF COMPANIES WHICH HAVE **INCREASED ABILITY** TO ANALYZE LARGE AND COMPLEX AMOUNTS OF DATA OVER THE LAST YEAR?



Q20. Has your company increased its ability to analyze large and complex amounts of data over the last year? (% Yes) Base: Sectors - Min n=140 - Max n=469 / company size: <100 employees N= 907; 101-500 employees N= 1045; 501-1,000 employees N=588; >1,000 employees N= 669



# Big data, the reality:

And many dread the **challenge**/ impact of its implementation on the business model

61% of those who have made the move or are planning so, Declare Big data is / will be a real **challenge** as it forces to allocate resources and budget at the expense of more traditional activities

Those experiencing increased data analytics capabilities see the **added value** Big data brings into their innovation process

69% declare they made the most out of the data collected and converted it into added value for the innovation process



Q1-3 Q2-9 – innovation priorities, Base all n=3,209. Q21. Big data is / will be a real challenge for my company as it forces to allocate resources and budget at the expense of more traditional activities (e.g. marketing, insight, research, etc). Base Those which increased/planning to increase ability N= 1,851 //Q22/Has your company managed to make the most out of the data collected and convert this into added value for the innovation process? Base: Big Data users global N= 1,135 //20 bis/ Do data scientists, i.e. those who able to make sense of large amounts of data, have strong influence and authority in your company . Base Big data enabled companies N=721

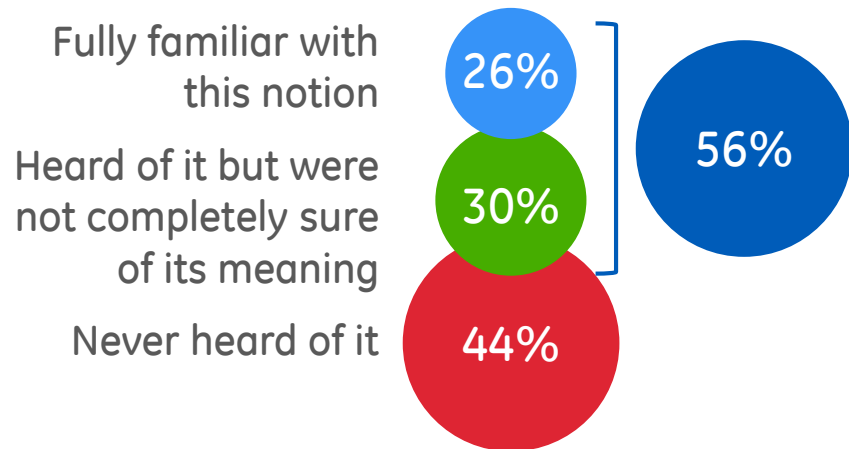


# “Industrial Internet”: an emerging understanding

“Industrial internet” or “Internet of things” =

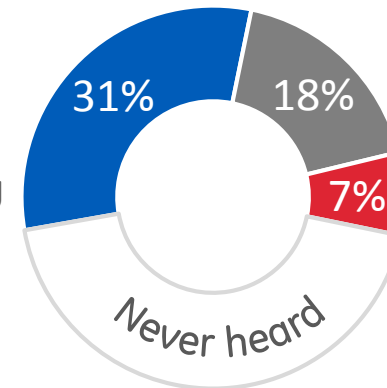
“The next generation of internet integrating complex physical machinery with networked sensors and software”

## FAMILIARITY WITH THE NOTION



## THE 'INDUSTRIAL INTERNET' OR 'INTERNET OF THINGS' WILL HAVE A RATHER...

**Positive impact** on the job market, fuelling companies performance and growth and creating new demand for employment



**Neutral impact** on the job market, transforming the overall job market

**Negative impact** on the job market, making it easier to replace unskilled workers by machines and automated processes

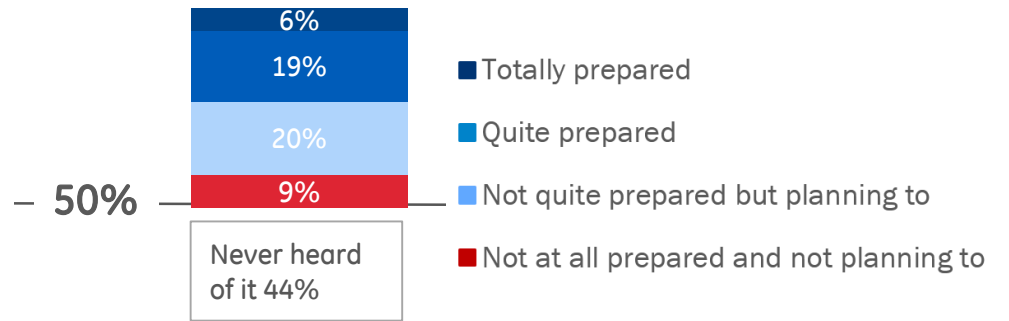


Q15. Are you familiar with the following notions? Base: Global results N= 3,209 // Q18-1. Now we are going to present different views on these emerging trends, we would like you to pick the one you feel is the truest or the most relevant. Base: Global results N= 3,209

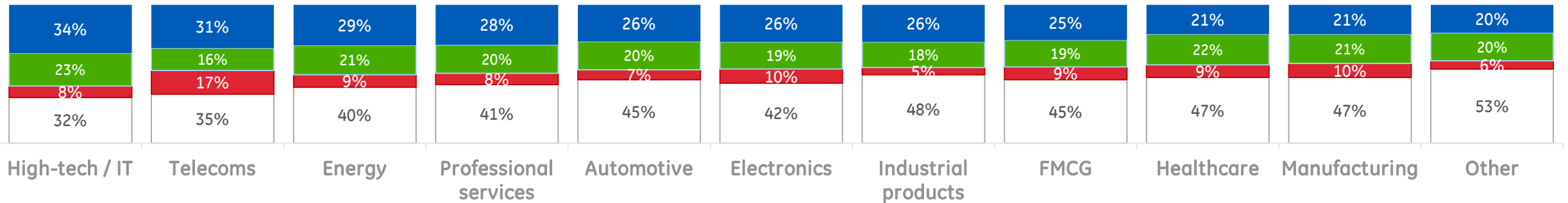
# High tech / IT and Telecoms are paving the way

50% innovation executives agree the "industrial internet" will drive innovation success in the future

% OF BUSINESSES ALREADY EQUIPPED WITH A STRATEGY OR PROCESS TO MAKE THE MOST OF...



□ Never heard of it    ■ Not planning to    ■ Planning to    ■ Prepared



Q17. Is your business already equipped with a strategy or process to make the most of... Base: Global results N= 3,209 / Sectors - Min n=140 - Max n=469

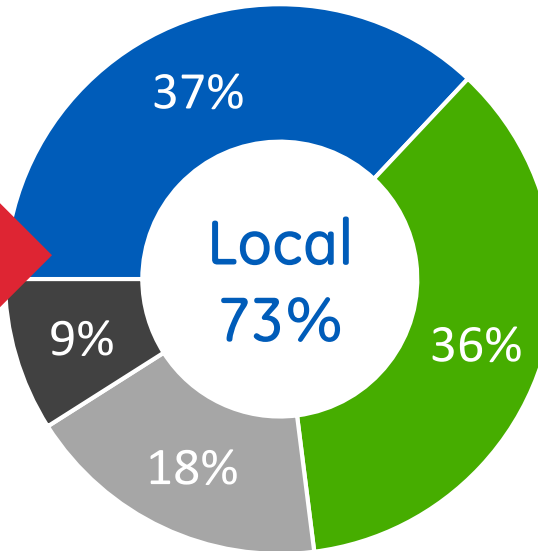
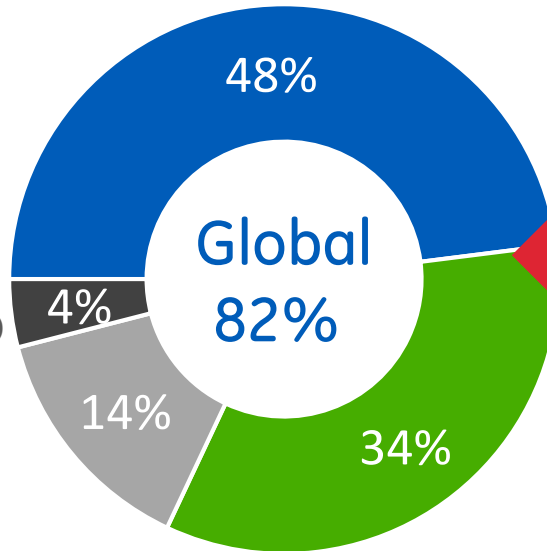


# A GLOBAL PLAYGROUND FOR INNOVATION



# Think “glocal”!

INNOVATION IS INCREASINGLY BECOMING A **GLOBAL GAME**, MERGING AND COMBINING TALENTS, IDEAS, INSIGHTS AND RESOURCES ACROSS THE WORLD IS THE ONLY WAY TO BE SUCCESSFULLY INNOVATIVE



MORE THAN EVER BEFORE, INNOVATION NEEDS TO BE **LOCALIZED** TO SERVE SPECIFIC MARKET NEEDS

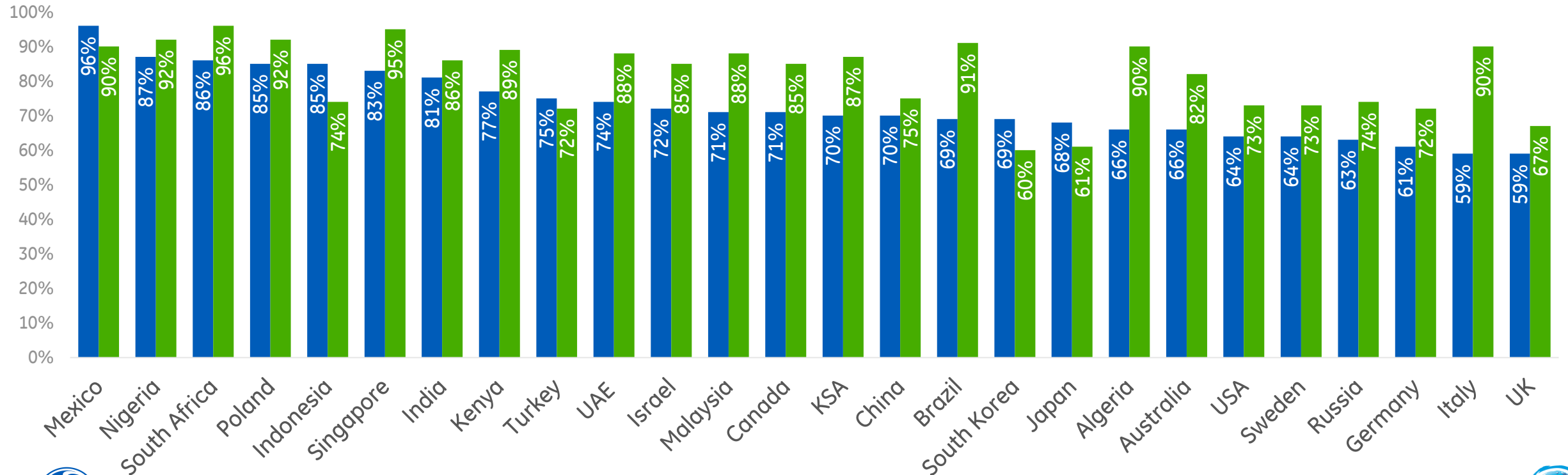
- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree



# Localized innovation is more polarizing

**MORE THAN EVER BEFORE, INNOVATION NEEDS TO BE LOCALIZED TO SERVE SPECIFIC MARKET NEEDS**

**INNOVATION IS INCREASINGLY BECOMING A GLOBAL GAME, MERGING AND COMBINING TALENTS, IDEAS, INSIGHTS AND RESOURCES ACROSS THE WORLD IS THE ONLY WAY TO BE SUCCESSFULLY INNOVATIVE**



Q6-2&1. Would you say that you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the following opinions? Base: Global results N= 3,209. Base: Country results N= 100-300 per market

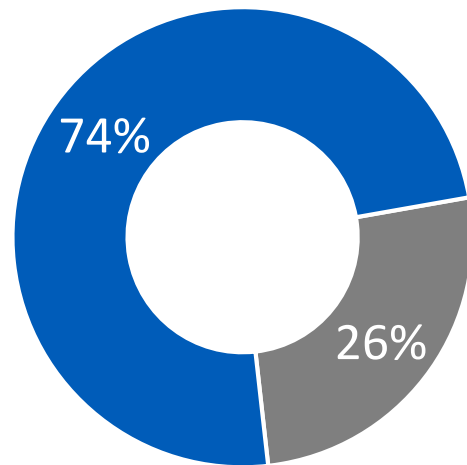




# Constraints in emerging markets mostly seen as an innovation opportunity

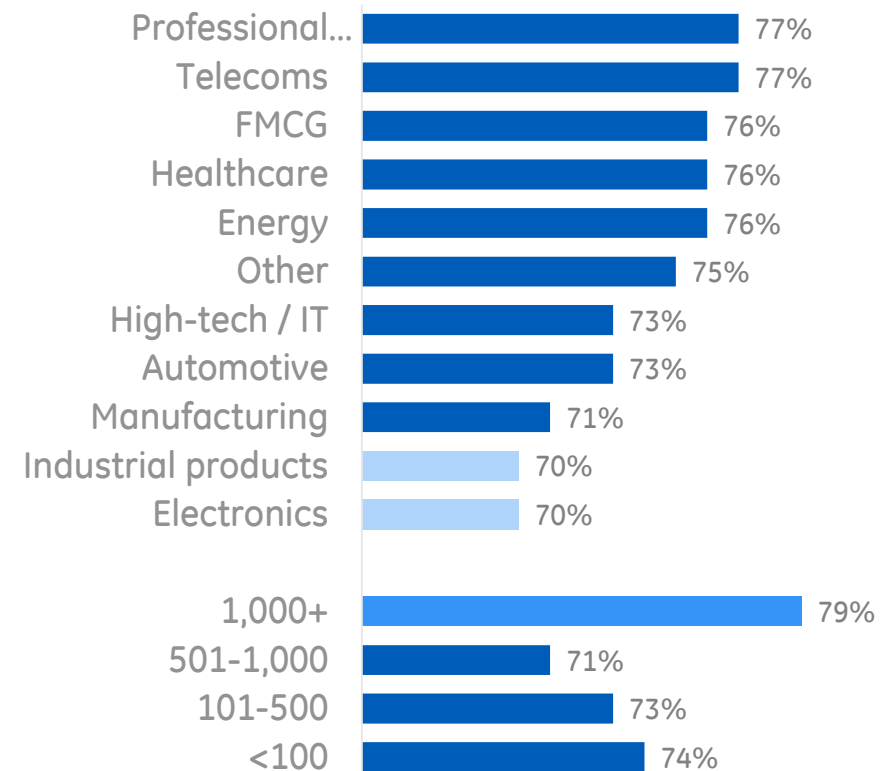
THE CONSTRAINTS EXPERIENCED BY SOME EMERGING COUNTRIES (E.G. LOWER PURCHASING POWER, ENERGY CHALLENGES, LACK OF INFRASTRUCTURES, ETC.)...

Create **innovation opportunities** for companies, willing to invest in overcoming them



Make it almost impossible to innovate there

## CREATE INNOVATION OPPORTUNITIES

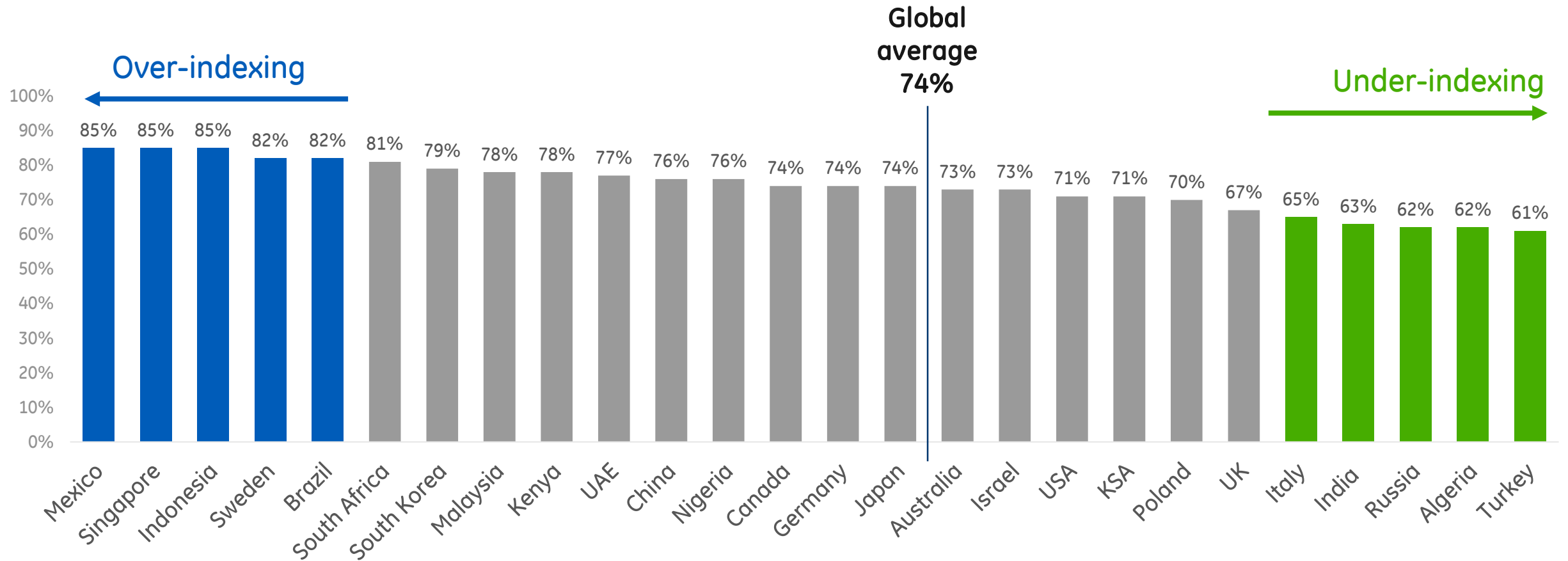


Q4-5. Now we are going to present different views on the ideal innovation process, we would like you to pick the one you feel is the truest or the most relevant in driving successful innovation. Base: Global results N= 3,209 / Base: Country results N= 100-300 per market



# No consensus amongst emerging markets

THE CONSTRAINTS EXPERIENCED BY SOME EMERGING COUNTRIES CREATE INNOVATION OPPORTUNITIES FOR COMPANIES, WILLING TO INVEST IN OVERCOMING THEM



Q4-5. Now we are going to present different views on the ideal innovation process, we would like you to pick the one you feel is the truest or the most relevant in driving successful innovation. Base: Country results N= 100-300 per market



# INTERNAL DISRUPTION AND TRADE-OFFS



# Being truly innovative is a challenge, requiring to change mind-sets, behaviours and processes to become 'disruption ready'

64%

agree that to be successful when innovating, companies must encourage creative behaviours and disruptive processes in the business, especially:

70% in the **Healthcare sector**

Vs. 64% in all other sectors

67%

Amongst those that already **collaborate**

Vs. 60% for those who don't

68%

Amongst those already use **open sources**

Vs. 60% for those who don't

69%

Amongst those already use **big data**

Vs. 63% for those who don't

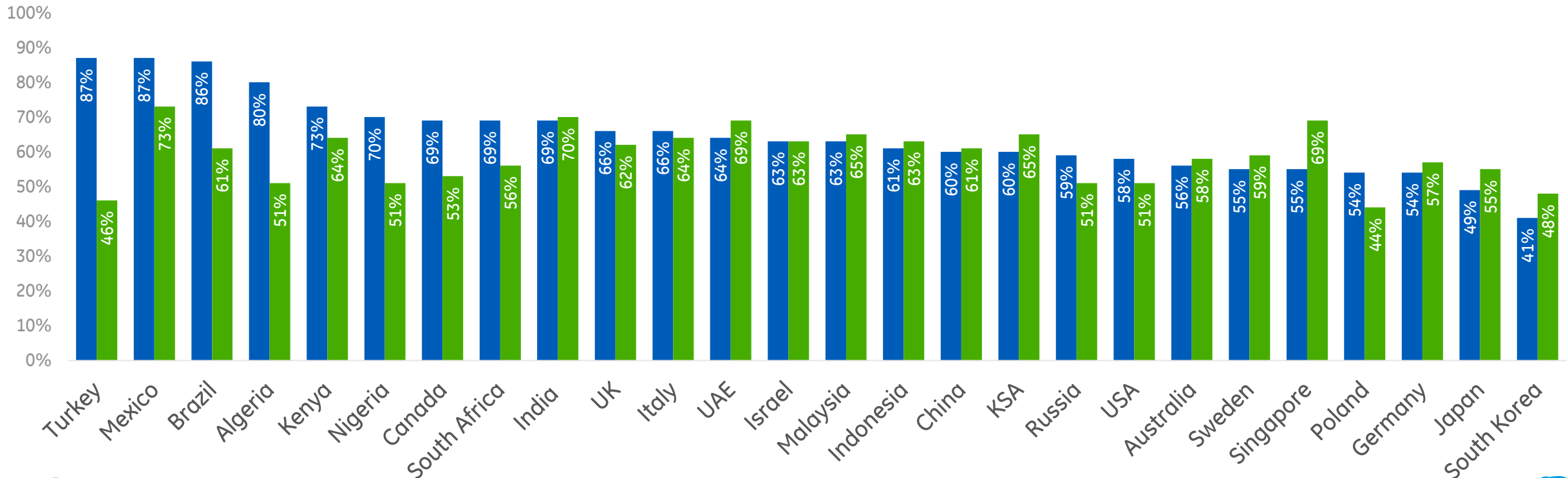
Very consistently across audience,  
59%

consider the difficulty to come up with **radical and disruptive ideas** as a key challenge killing your business's ability to innovate efficiently, independently from the profile of their company



# Emerging countries are the most open to disrupt their internal business model

- WHEN INNOVATING, COMPANIES MUST ENCOURAGE CREATIVE BEHAVIOURS AND DISRUPTIVE PROCESSES IN THE BUSINESS, ESPECIALLY
- THE DIFFICULTY TO COME UP WITH RADICAL AND DISRUPTIVE IDEAS AS A KEY CHALLENGE KILLING YOUR BUSINESS'S ABILITY TO INNOVATE EFFICIENTLY, INDEPENDENTLY FROM THE PROFILE OF THEIR COMPANY

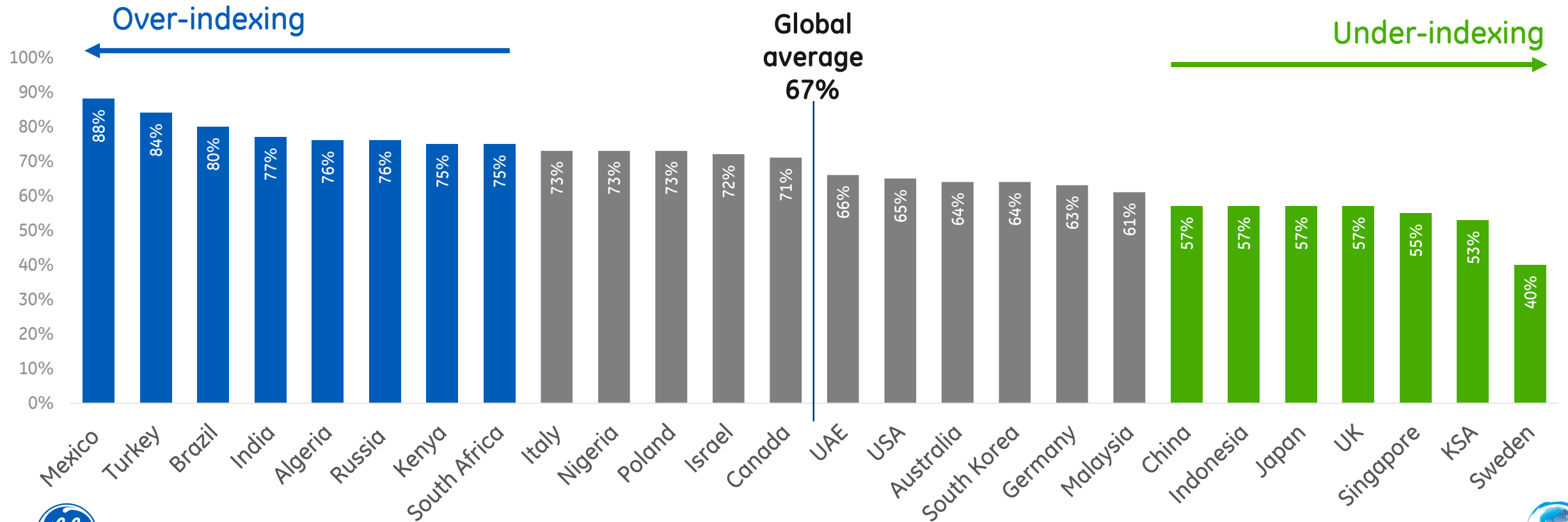


Q5-1. Do you consider any of the following as key challenges killing your business's ability to innovate efficiently? Q1\_5. Thinking about how companies *manage innovation*, how important are the following for a company to be able to innovate successfully? (Grades from 8 to 10) Base: Country results N= 100-300 per market



# Adopting emerging technologies quickly is a necessity for most to be successfully innovating

TO BE SUCCESSFUL WHEN INNOVATING, COMPANIES MUST QUICKLY ADAPT AND IMPLEMENT EMERGING TECHNOLOGIES



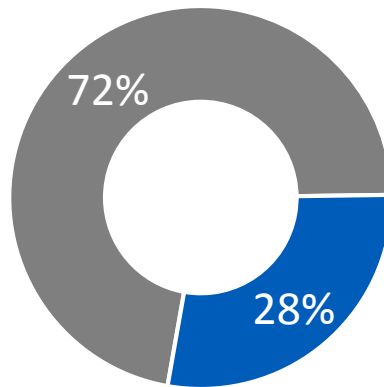
Q1/Q2. Thinking about how companies *manage innovation*, how important are the following for a company to be able to innovate successfully? (Grades 8-10)  
 Base: Country results N= 100-300 per market



# But behind good “disruptive” intentions, most prefer to stick to well-established and more conservative practices and processes

WHEN INNOVATING, IT IS BEST..

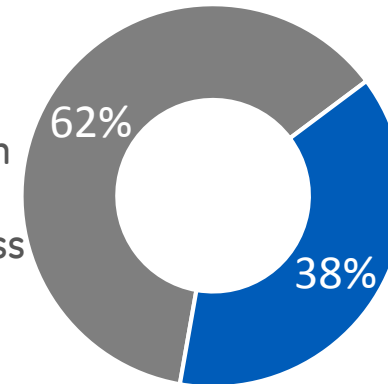
To protect the core business' profitability as much as possible, so to support research & innovation efforts



**Not to worry** about the potential short term negative impact on the core business' revenue

THE MOST SUCCESSFUL INNOVATIONS ARE

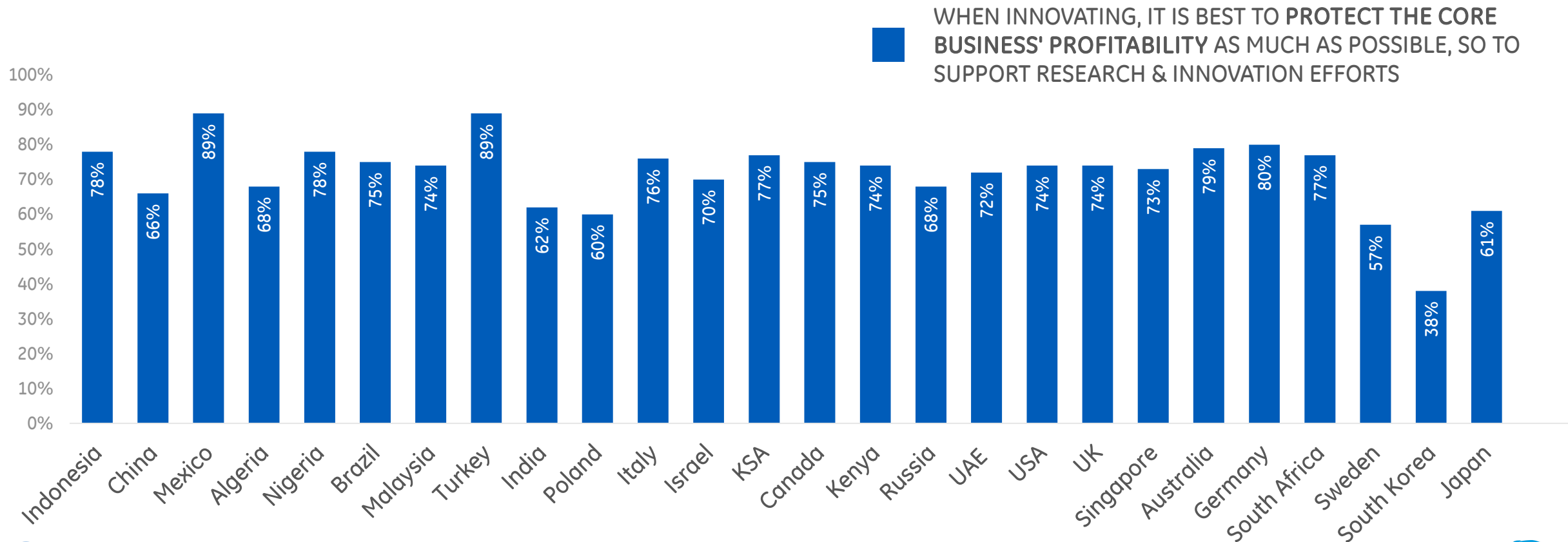
Planned, emerging through a structured innovation process



**Spontaneous,** emerging through the interactions of creative individuals



# Some markets are more disruptive than others in regard to the ideal innovation process, but the large majority agree on its importance in protecting the core business' profitability



Q4-1&2. Now we are going to present different views on the ideal innovation process, we would like you to pick the one you feel is the truest or the most relevant in driving successful innovation. Base: Country results N= 100-300 per market





**SPEED AND AGILITY TO  
INNOVATE BETTER**

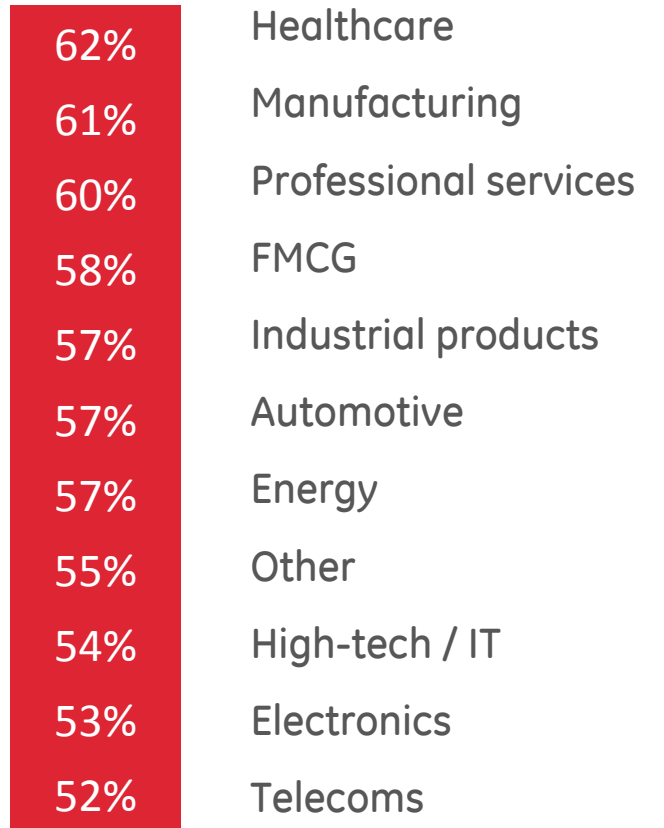


# There is a strong consensus on the need for internal agility, and the difficulty in achieving it

67% agree that to be successful when innovating, companies must quickly adapt and implement emerging technologies

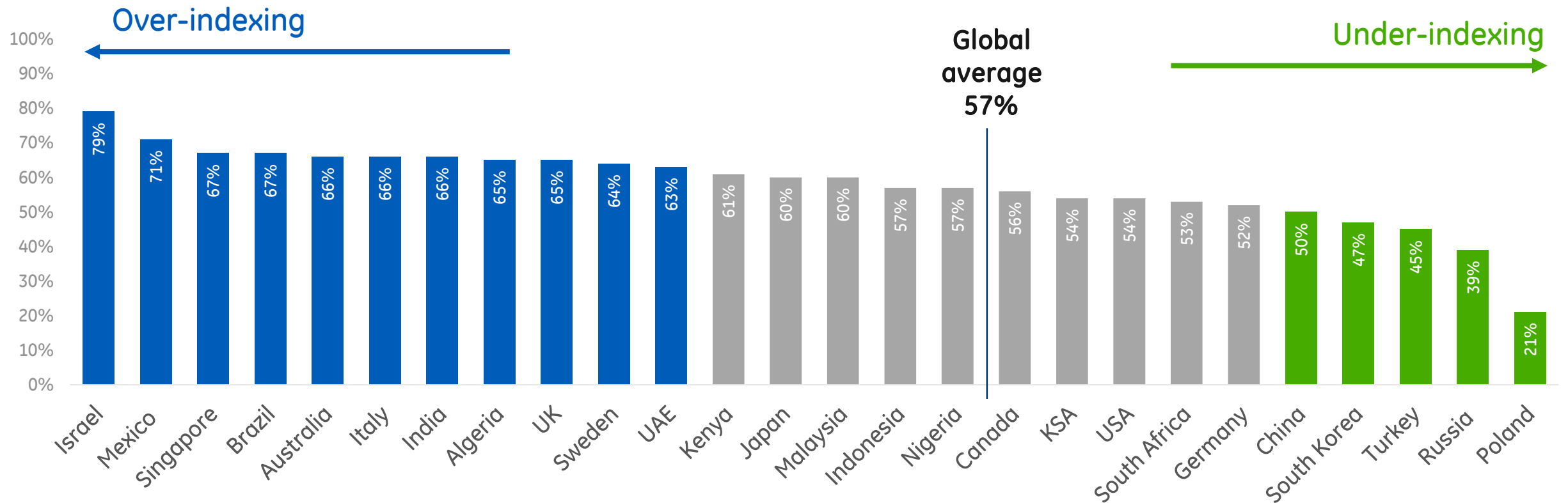
57% consider the internal inertia and the incapacity to be nimble, failing at rapidly converting ideas into actions is a challenge limiting their business's ability to innovate efficiently

Internal inertia is a key critical challenge killing their business's ability to innovate efficiently



# Internal inertia is an innovation challenge in most countries

**INTERNAL INERTIA** IS A KEY CRITICAL CHALLENGE KILLING THEIR BUSINESS'S ABILITY TO INNOVATE EFFICIENTLY



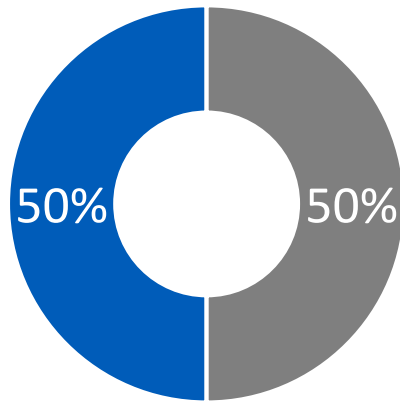
Q5-7. Do you consider any of the following as key challenges killing your business's ability to innovate efficiently (A critical challenge/ A bit of a challenge)?  
Base: Country results N= 100-300 per market



# Speed to market remains a tougher decision dividing innovation executives into 2 camps

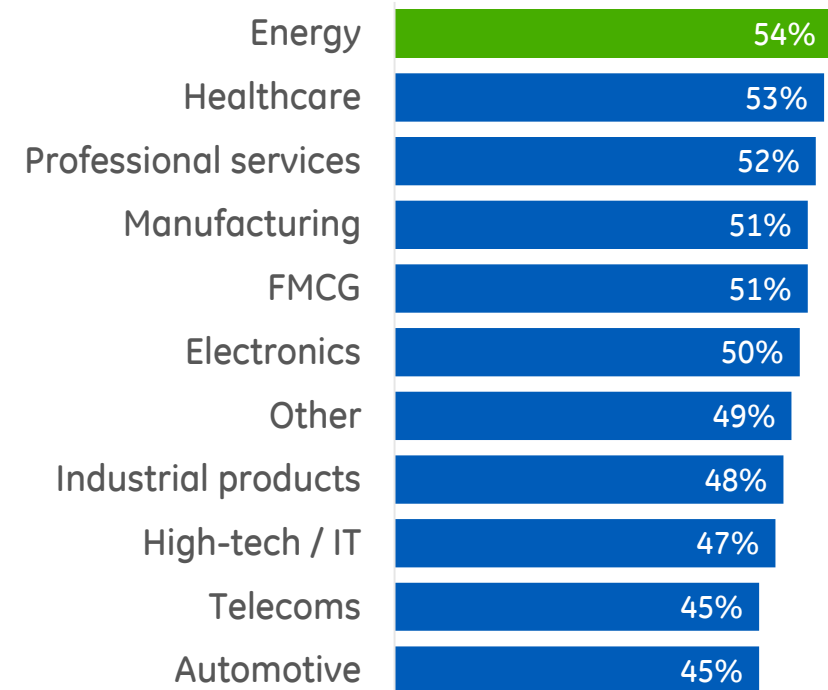
WHEN INNOVATING, IT IS BEST..

To get to market as **quickly** as possible to keep an edge on competition



Not to rush and take all the time needed to perfect the innovation

IT IS CRUCIAL FOR COMPANIES TO ADOPT A TEST FAST, FAIL FAST, ADJUST FAST APPROACH IN ORDER TO INNOVATE SUCCESSFULLY...



**50%**  
think it is crucial for companies to adopt a test fast, fail fast, adjust fast approach in order to innovate successfully

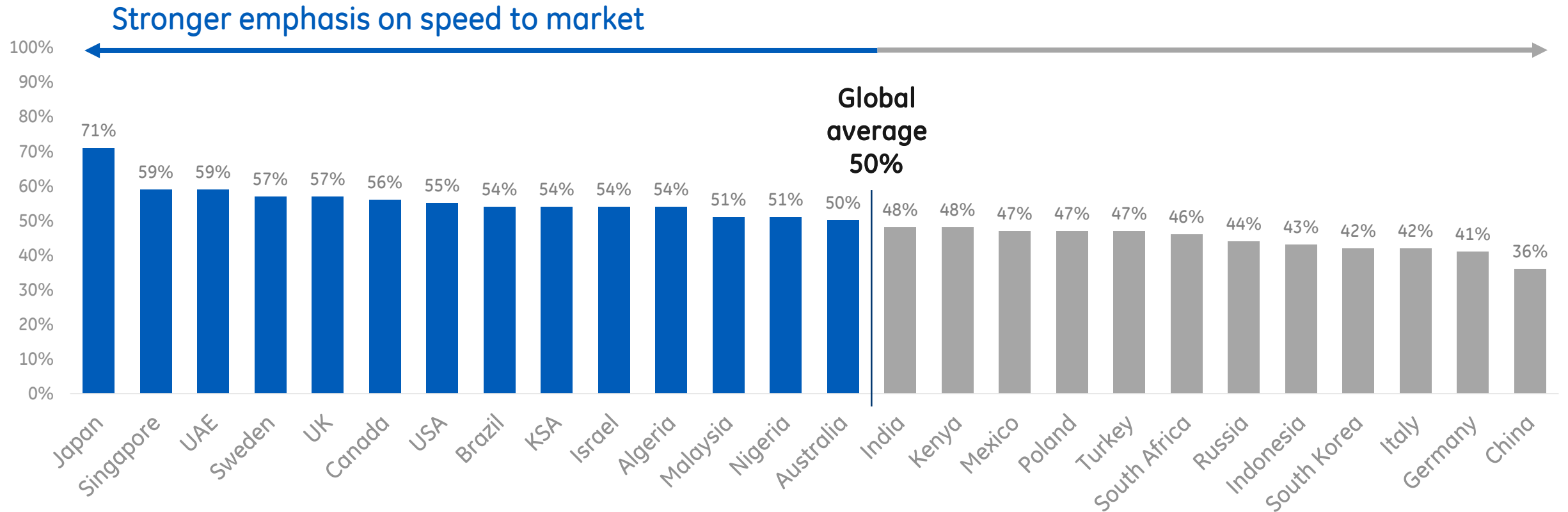


Q4-4. Now we are going to present different views on the ideal innovation process, we would like you to pick the one you feel is the truest or the most relevant in driving successful innovation. Q1/Q2. Thinking about how companies *manage innovation*, how important are the following for a company to be able to innovate successfully? (Grades 8 to 10) Base: Global results N= 3,209 & Base: Global – sectors N= min n=40 (Telecomms) max n=469 (Manufacturers)



# Speed to market, Japan leads the race

WHEN INNOVATING, IT IS BEST TO GET TO MARKET AS QUICKLY AS POSSIBLE TO KEEP AN EDGE ON COMPETITION



Q4-4. Now we are going to present different views on the ideal innovation process, we would like you to pick the one you feel is the truest or the most relevant in driving successful innovation. Base: Country results N= 100-300 per market



# The speed at which business adopts emerging technologies is critical

TO INNOVATE EFFICIENTLY AND SUCCESSFULLY, IT IS **CRITICAL** FOR COMPANIES...



Q1/Q2.. How important do you think the following elements are for a company to be able to *innovate successfully*? (Grades from 8 to 10)  
Base: Global results N= 3,209

MANAGING CHANGE  
INTERNALLY TO SUPPORT  
INNOVATION WITH A  
SUSTAINABLE BUSINESS  
MODEL



The difficulty to define an effective business model to support new ideas and make them profitable is a challenge killing the ability to innovate for

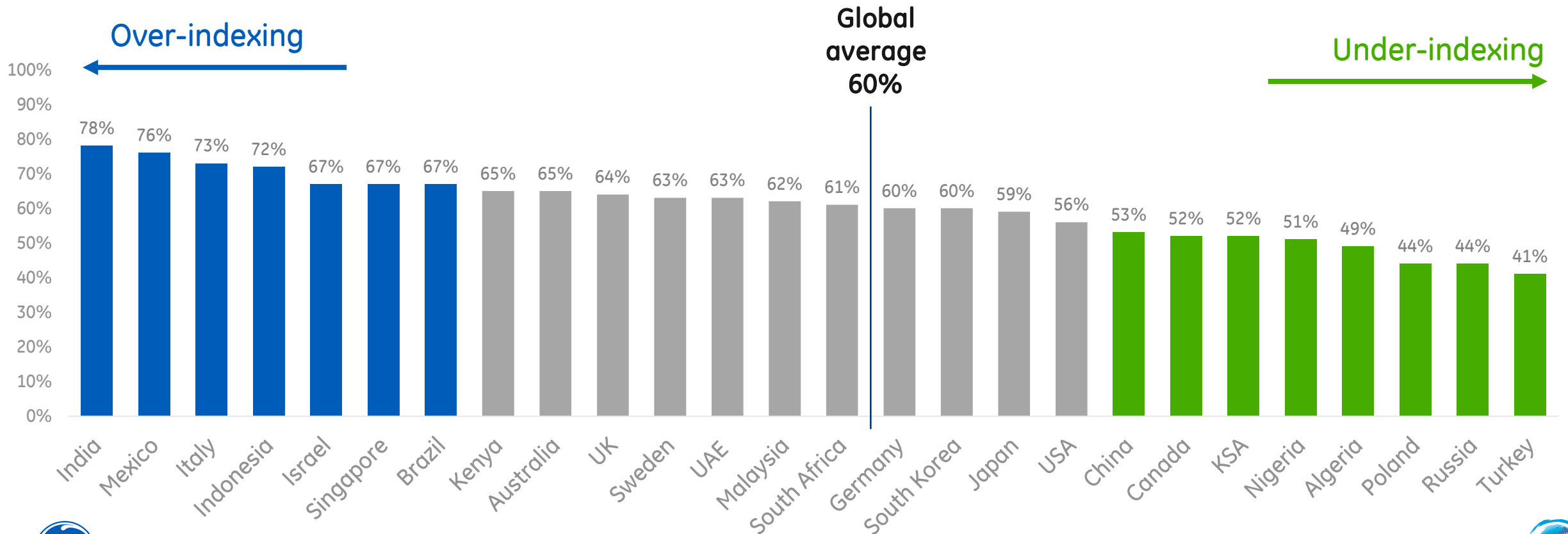
**60%**





# Some markets express a stronger need to define a new business model to support successful innovation

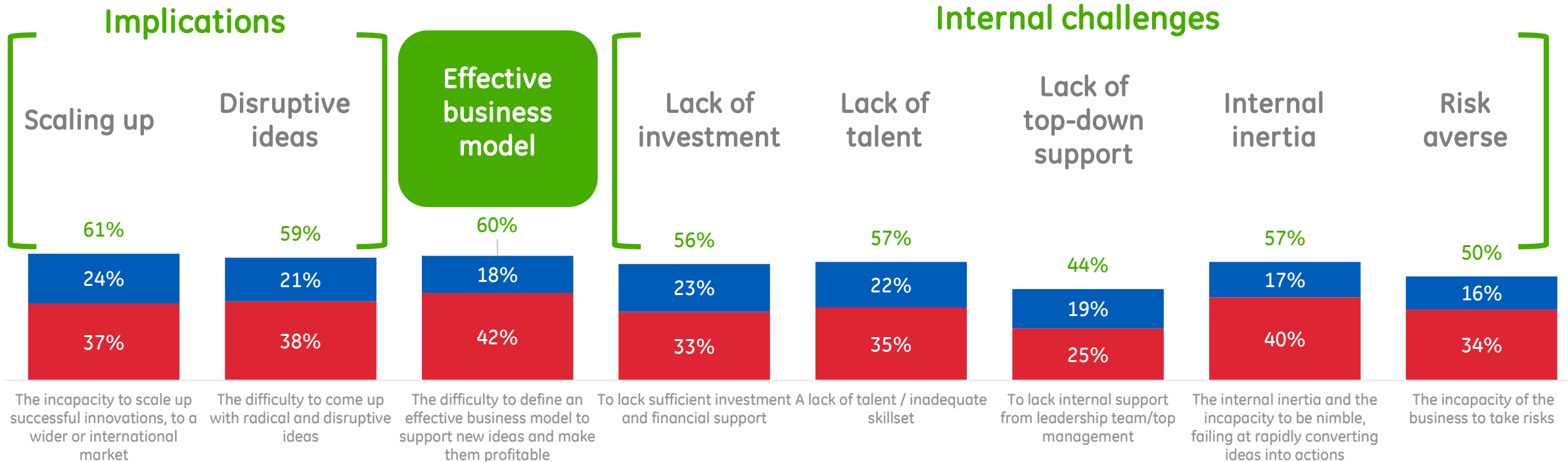
THE DIFFICULTY TO DEFINE AN EFFECTIVE BUSINESS MODEL TO SUPPORT NEW IDEAS AND MAKE THEM PROFITABLE IS A CHALLENGE KILLING THE ABILITY TO INNOVATE



Q5-2. Do you consider any of the following as key challenges killing your business's ability to innovate efficiently? Base: Country results N= 100-300 per market

# Businesses face many challenges limiting their ability to lead more radical and larger scale innovation

KEY CHALLENGES KILLING THEIR BUSINESS'S ABILITY TO INNOVATE EFFICIENTLY

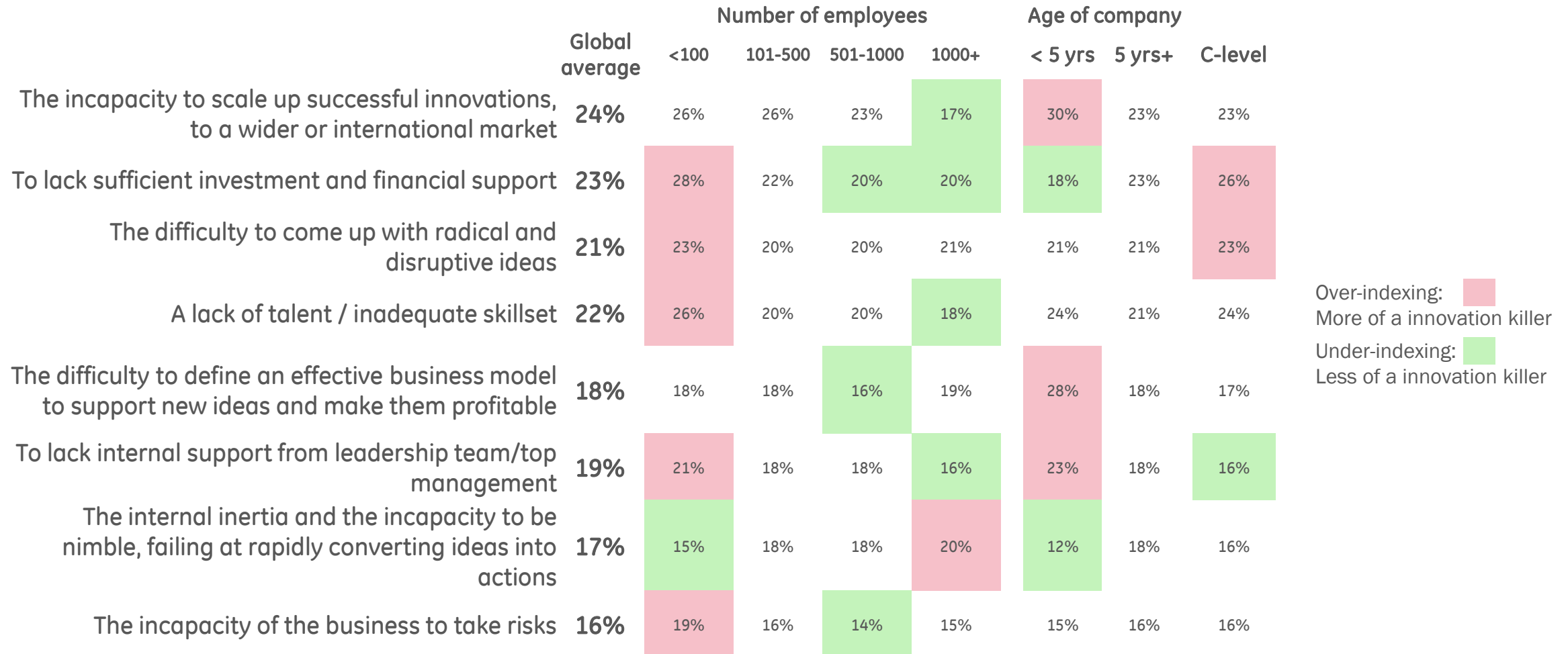


Q5. Do you consider any of the following as key challenges killing your business's ability to innovate efficiently?  
Base: Global results N= 3,209

Critical challenge  
 A bit of a challenge



# Unsurprisingly, smaller and younger businesses suffer the most from these challenges

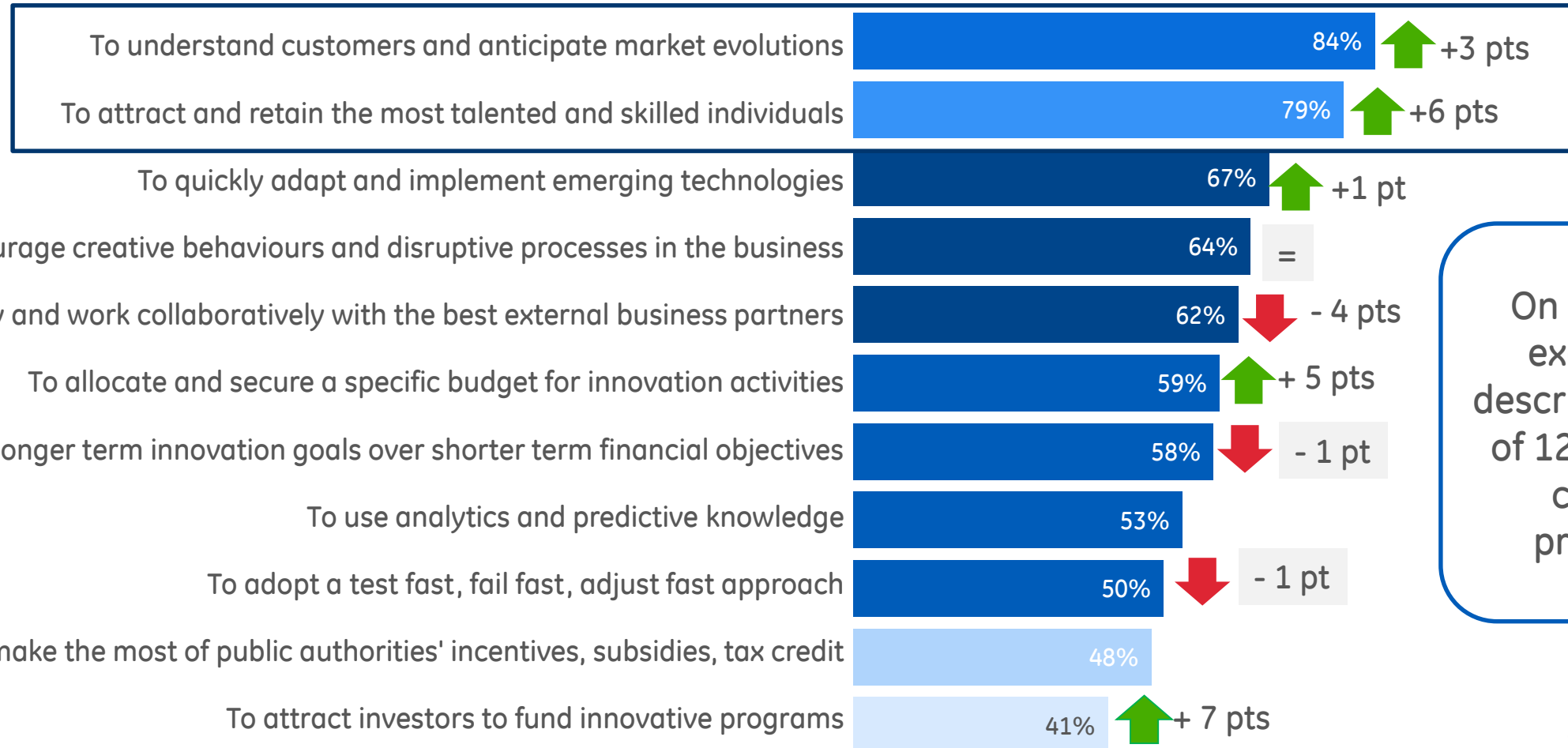


Q5. Do you consider any of the following as key challenges killing your business's ability to innovate efficiently?  
 Base: Global results N= 3,209



# Understanding customers/markets and attracting /retaining talents are increasingly the top priority drivers of successful innovation

TO INNOVATE EFFICIENTLY AND SUCCESSFULLY, IT IS **CRITICAL** FOR COMPANIES...



On average executive describe 6.7 out of 12 as being critical priorities



Q1/Q2.. How important do you think the following elements are for a company to be able to *innovate successfully*? Base: Global results N= 7,300

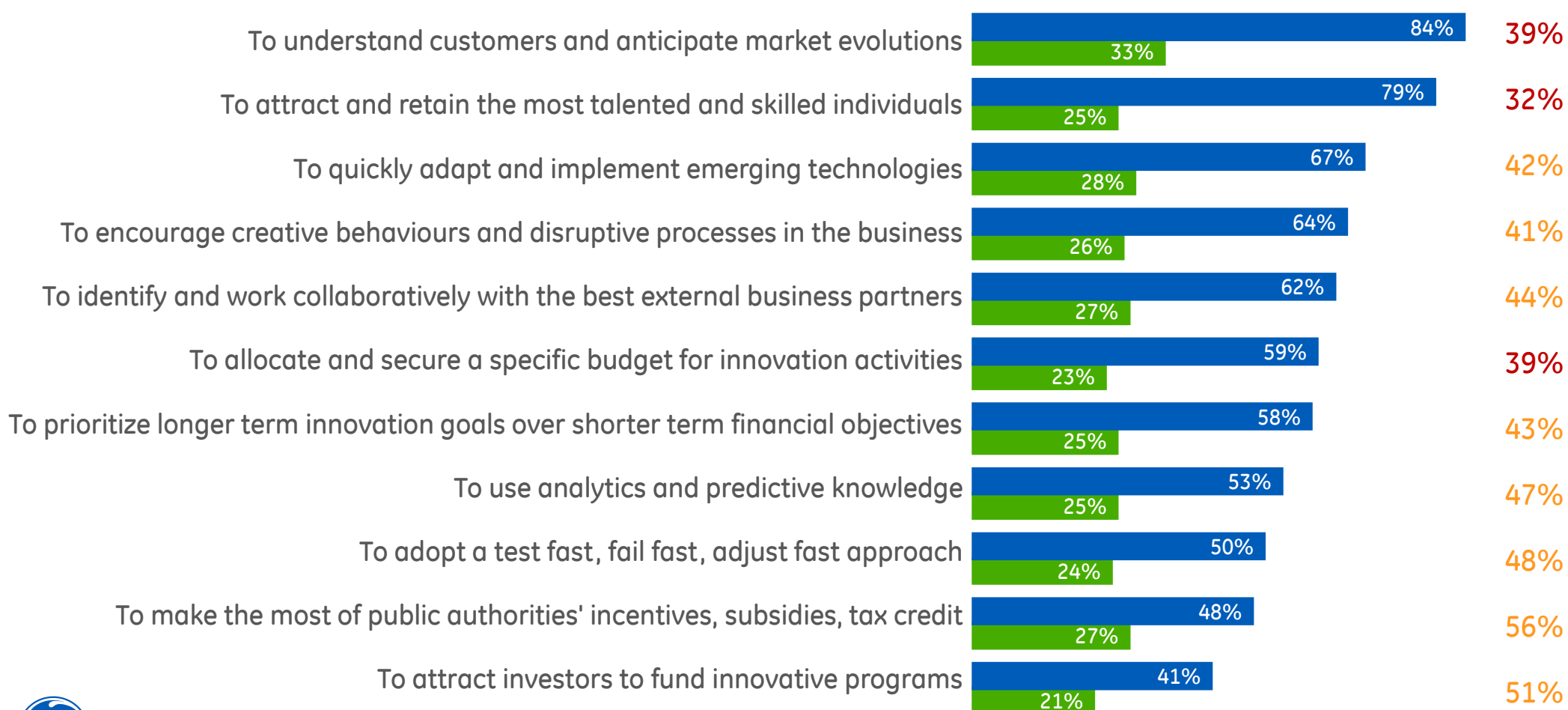


# Despite seeing a factor as a critical innovation driver, only some excel in delivering it in their company

## THE PERFORMANCE OF THEIR COMPANY AGAINST INNOVATION DRIVERS

■ Critical for companies  
■ Performs extremely well

CONVERSION RATE



Only 39% of those who said it was an important driver think their company is excelling at delivering it

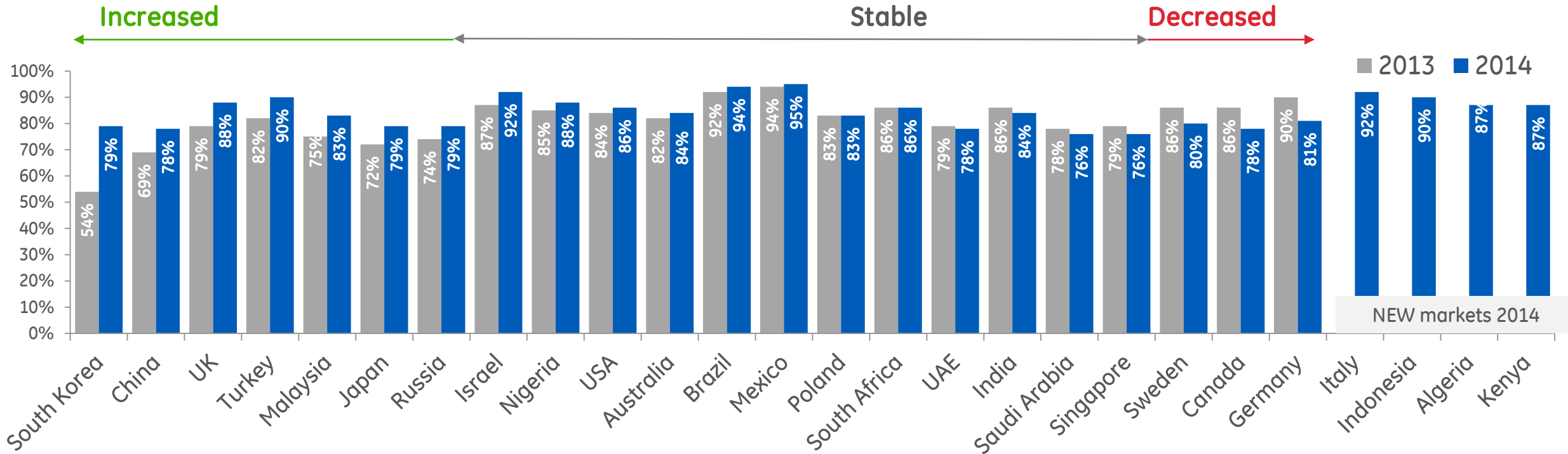


Q1/Q2. How important do you think the following elements are for a company to be able to *innovate successfully*? Base: Global results N= 3,209  
Q3. To what extent does your company currently perform against these success criteria? Based on those who said it was a critical factor (8-10)



# Identifying future opportunities is a core and constant priority for all

TO UNDERSTAND CUSTOMERS AND ANTICIPATE MARKET EVOLUTIONS

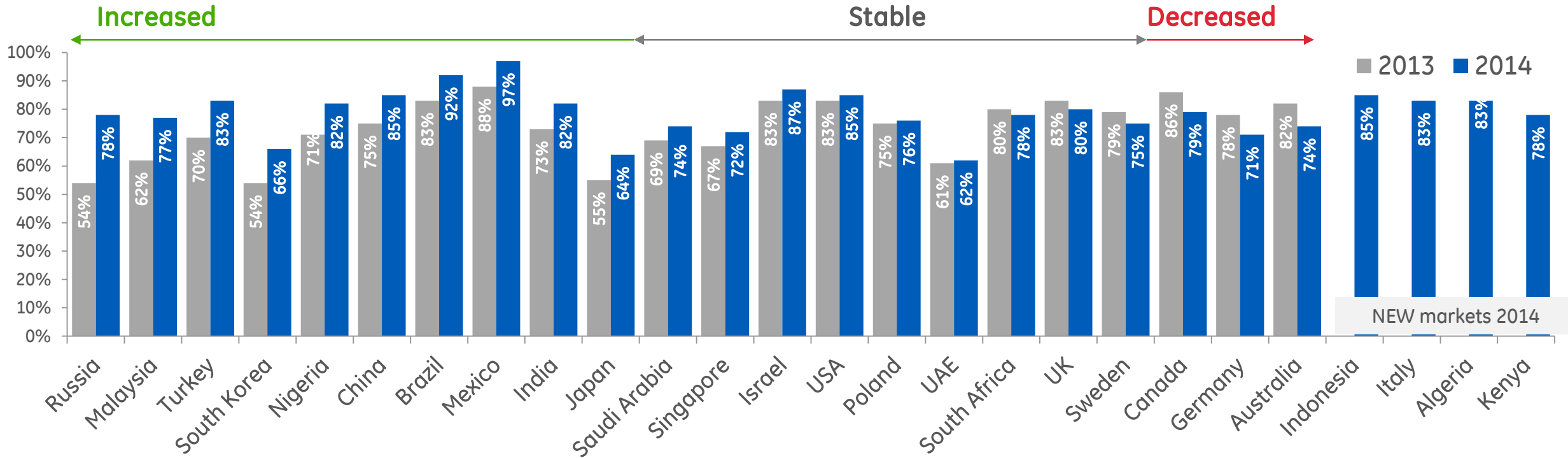


Q1/Q2.. How important do you think the following elements are for a company to be able to *innovate successfully*? (Grades from 8 to 10)  
Base: Country results N= 100-300 per market



# In many countries, the need for talent is becoming even more strategic

TO ATTRACT AND RETAIN THE MOST TALENTED AND SKILLED INDIVIDUALS

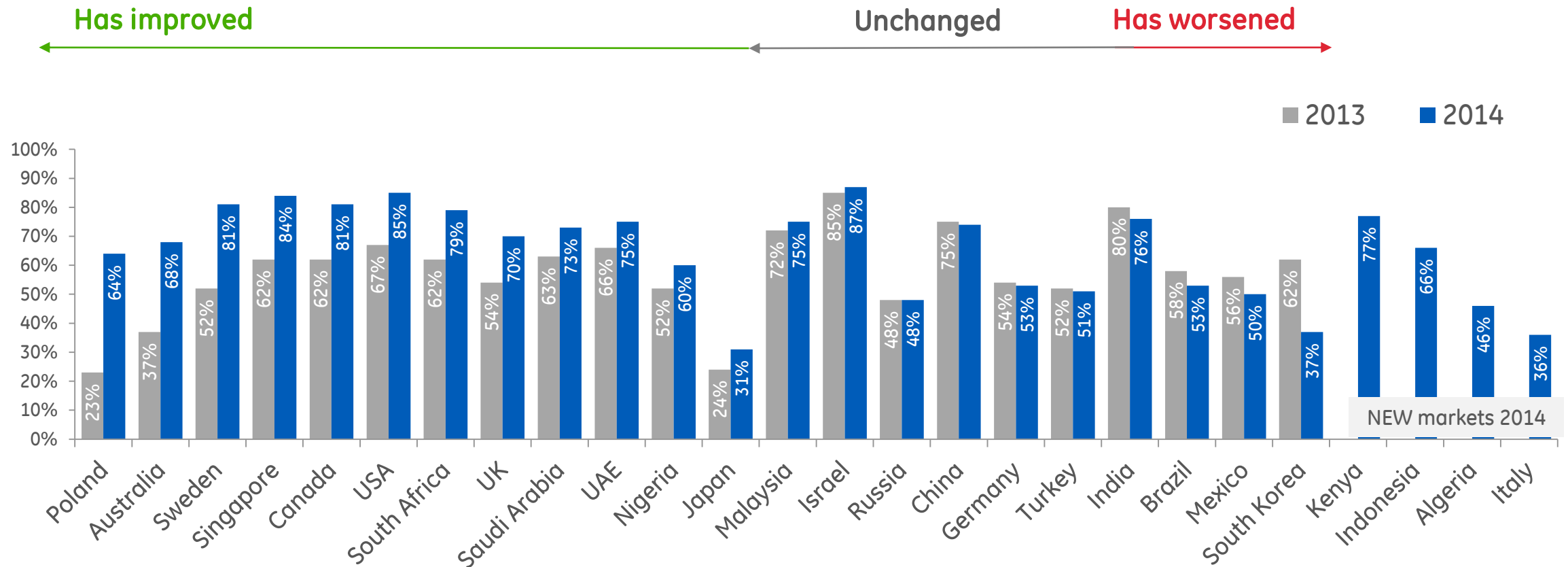


Q1/Q2.. How important do you think the following elements are for a company to be able to *innovate successfully*? (Grades from 8 to 10)  
Base: Country results N= 100-300 per market



# Overall, a consolidated support from private investors

PRIVATE INVESTORS ARE **SUPPORTIVE** OF COMPANIES THAT **NEED FUNDS TO INNOVATE**



Q10-1. Thinking about your country in particular, how far do you agree with the following statements? Private investors are supportive of companies that need funds to innovate. Results for top 2 boxes (somewhat agree + totally agree). Base: Country results N= 100-300 per market

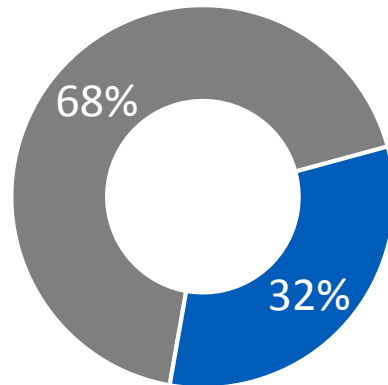




# Positioning innovative teams and activities inside the business is the dominant model, only High-tech and IT companies tend to be more open to an outside model

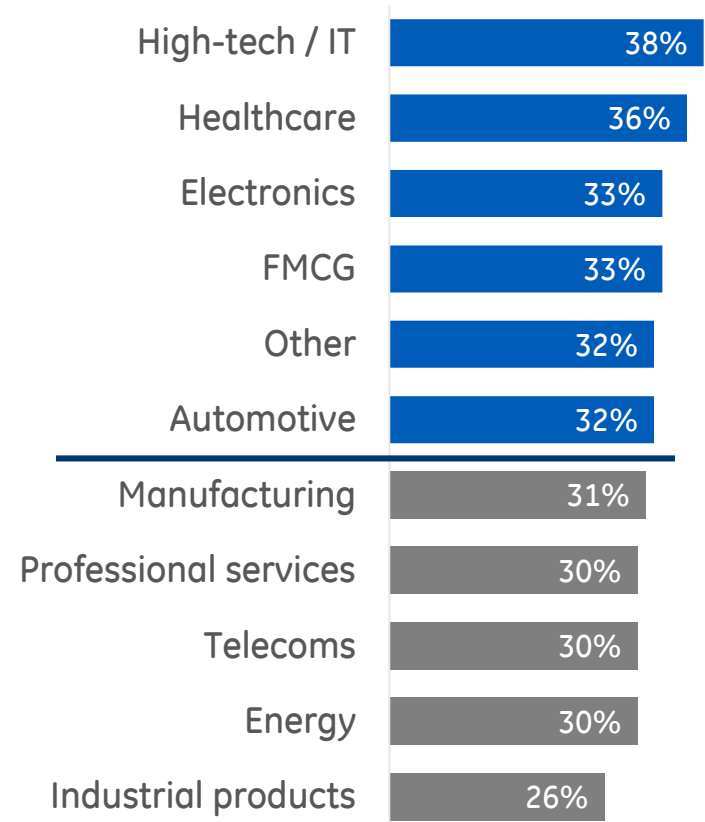
IN TERMS OF ORGANIZATIONAL DESIGN, IT IS BEST TO POSITION INNOVATIVE TEAMS AND ACTIVITIES

Inside the existing lines of businesses and structured teams



Outside in a specialized and dedicated innovation /research centres

Outside in a specialized and dedicated innovation /research centres



Global average 32%



Q4-3. Now we are going to present different views on the ideal innovation process, we would like you to pick the one you feel is the truest or the most relevant in driving successful innovation. Base: Global results N= 3,209 / Base: Global – sectors N= min 140 (Telecoms) max 469 (Manufacturers)

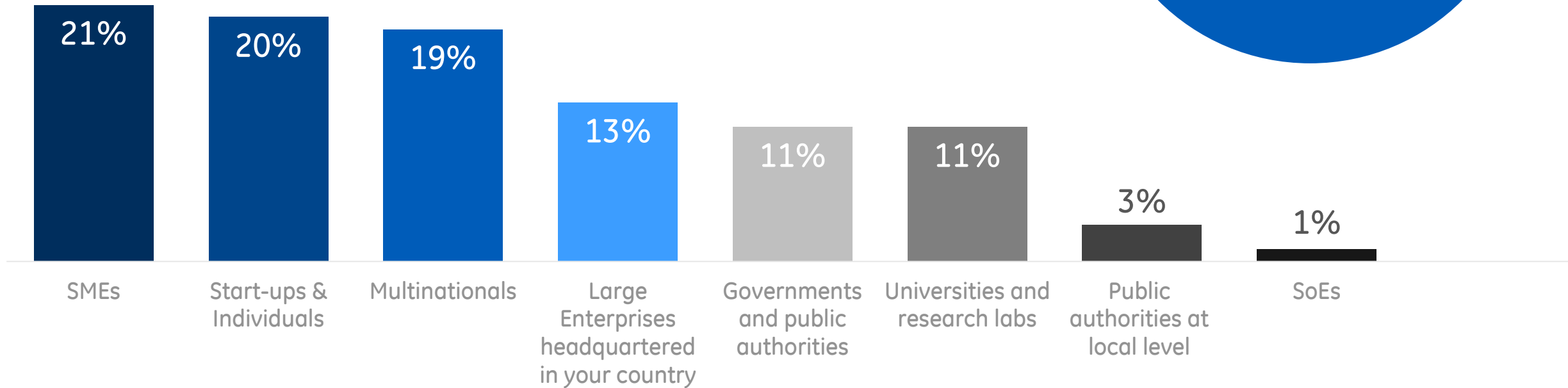


# INNOVATION POLICIES: THE PERSPECTIVE FROM BUSINESS ON INNOVATION POLICIES AND FRAMEWORK



# Small is beautiful! SMEs, start-ups and individuals are seen as the innovation champions and the most promising collaboration partners

WHO IS DRIVING INNOVATION THE MOST TODAY IN YOUR COUNTRY?

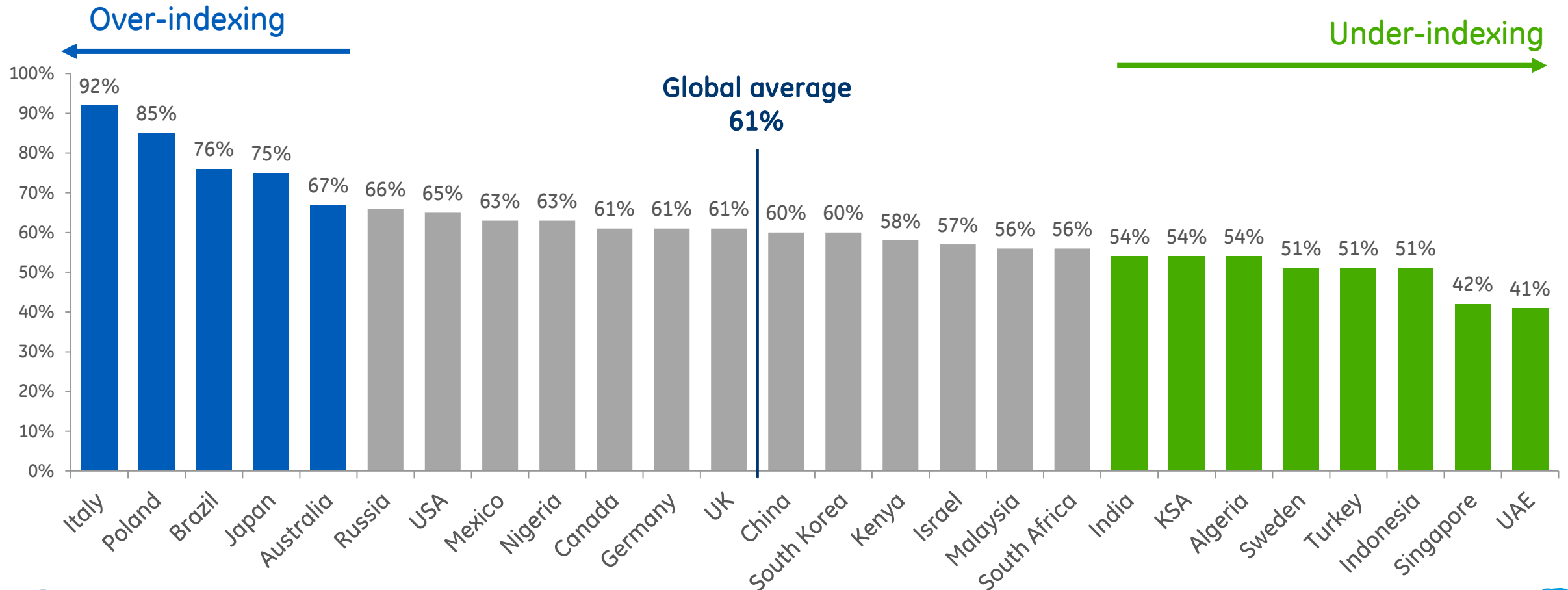


**85%**  
Of innovation executives agree **collaboration with start-up and entrepreneurs** will **drive innovation success** in the future



# Governments' support to SMEs is largely seen as currently insufficient

PUBLIC AUTHORITIES DO NOT SUPPORT SME'S IN THEIR INNOVATION EFFORTS ENOUGH



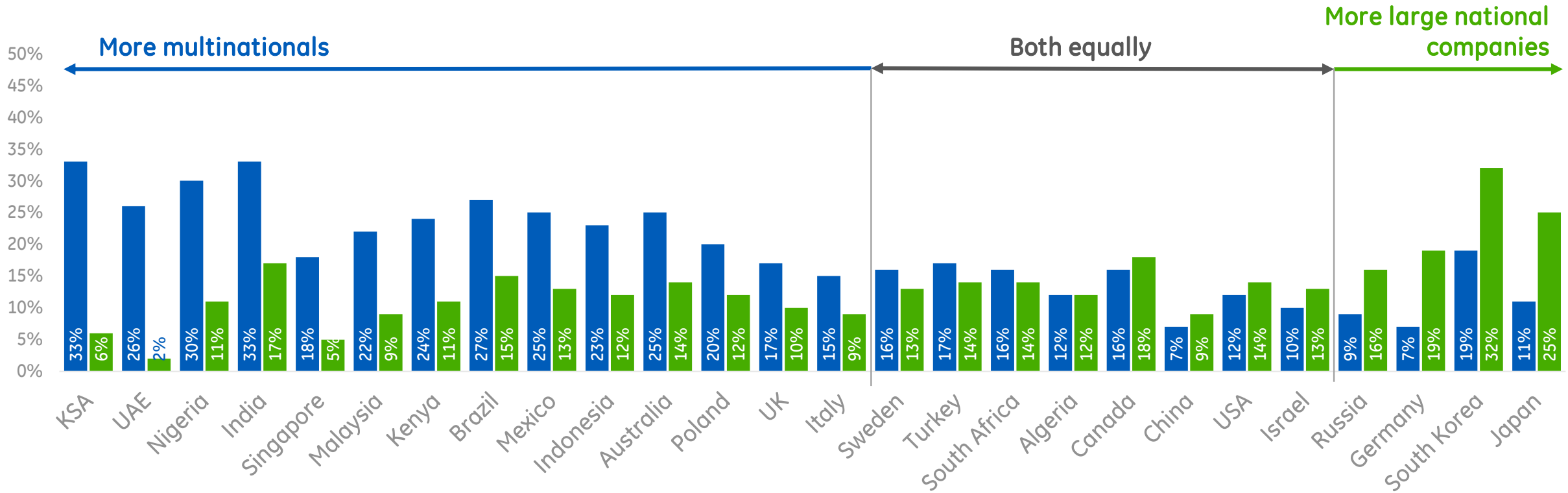
Q11-3. Thinking about the policies and actions undertaken in your country by the government and public authorities, how far do you agree with the following statements. Public authorities do not support SME's in their innovation efforts enough. Results for top 2 boxes (somewhat agree + totally agree). Base: N= 3,209



# Multinationals more likely to be perceived as driving innovation compared to local large companies

WHO IS DRIVING INNOVATION THE MOST TODAY IN YOUR COUNTRY?

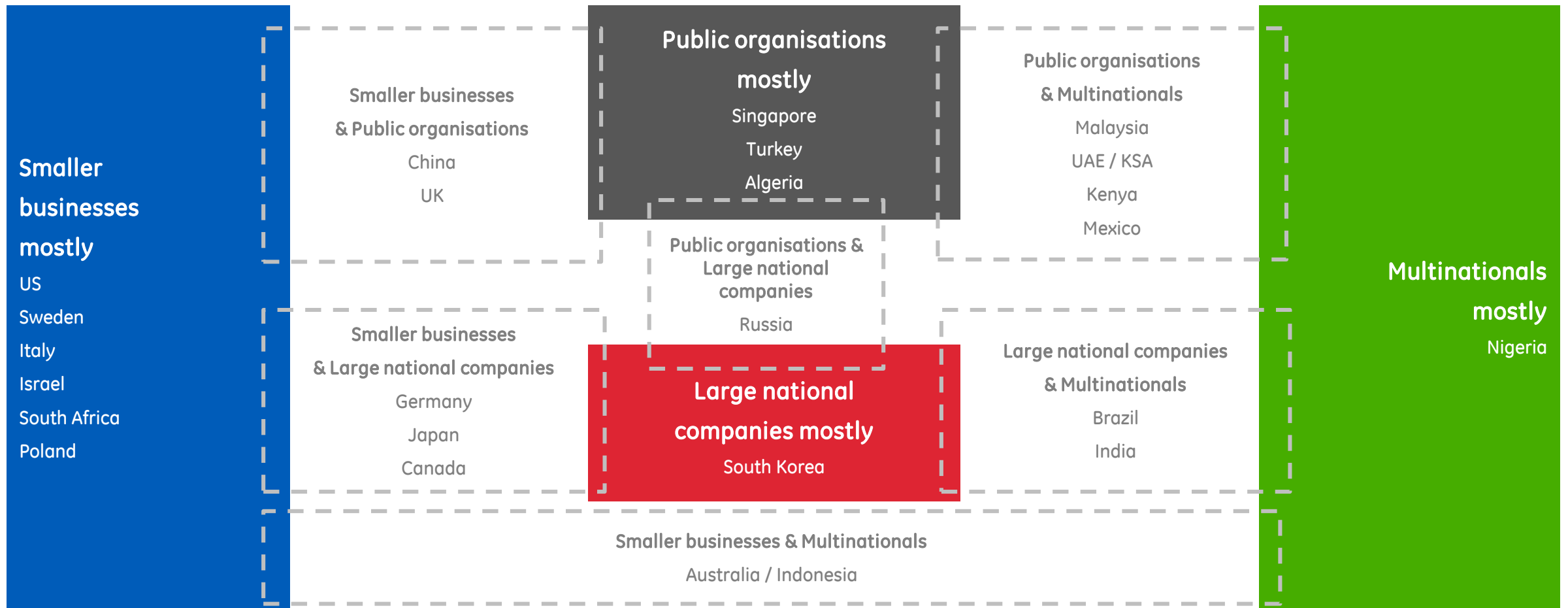
■ Multinationals    ■ Large enterprises headquartered in your country



Q7. Who do you think is driving innovation the most today in your country? Base: Country results N= 100-300 per market



# The business fabric of innovation varies across countries, each picking a combination of business types to lead it



Q7. Who do you think is driving innovation the most today in your country? Based on businesses for which a country over-indexes compared to global average Base: Country results N= 100-300 per market



# Innovation executives expect Public Authorities to improve the overall innovation framework of their country



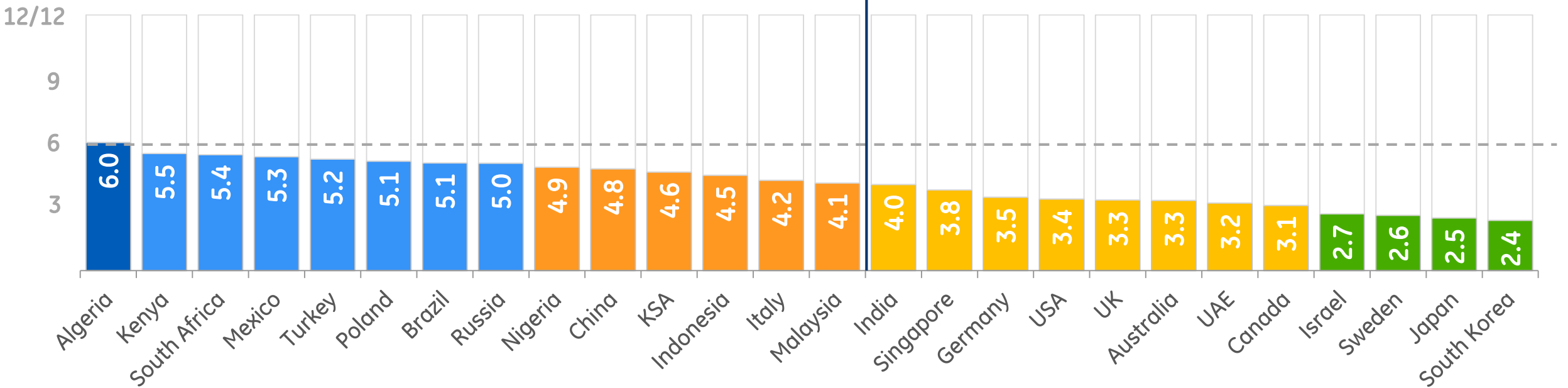
Q12. What are the main priorities your country should focus on to efficiently support innovation? Global average. Results for top 2 boxes (critical priority & important but not critical priority). Base: N= 3,209



# Emerging markets put more pressure on policymakers to provide them with the framework they need to innovate successfully

Innovation executives identify 4.1 priorities out of 12 as being critical to be addressed on average

AVERAGE NUMBER OF CRITICAL PRIORITIES PER COUNTRY OUT OF 12 PRIORITIES



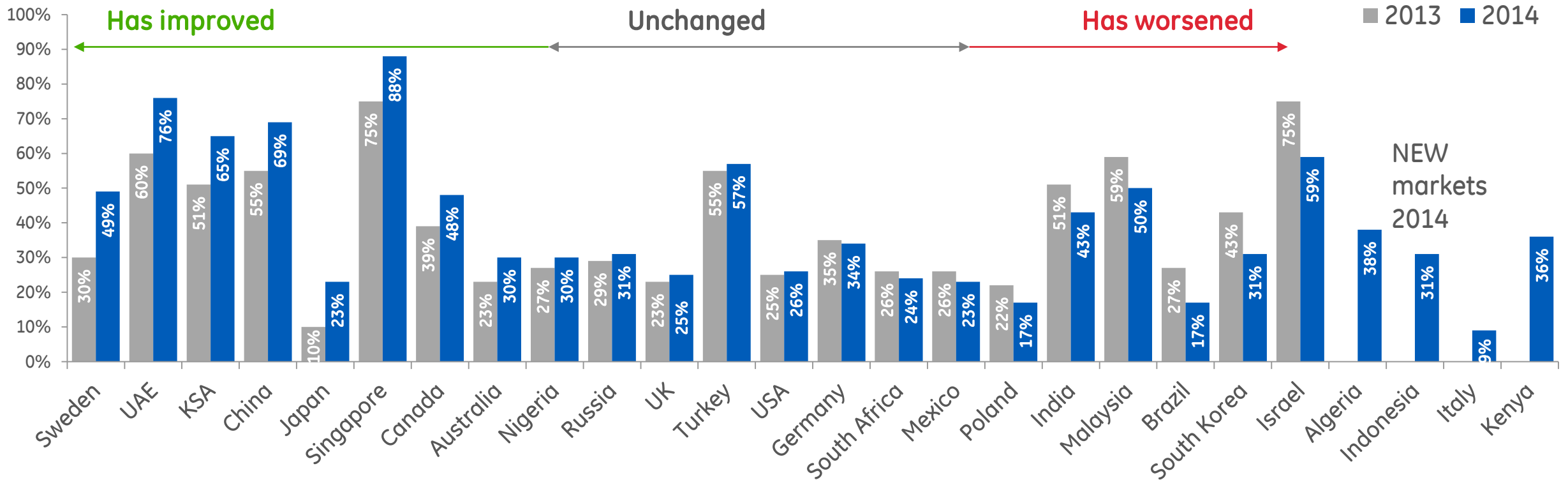
Q12. What are the main priorities your country should focus on to efficiently support innovation? Average number of critical priorities per country out of 12. Base: Country results N= 100-300 per market





# The efficiency of government support for innovation is variable

## GOVERNMENT SUPPORT FOR INNOVATION IS EFFICIENTLY ORGANIZED

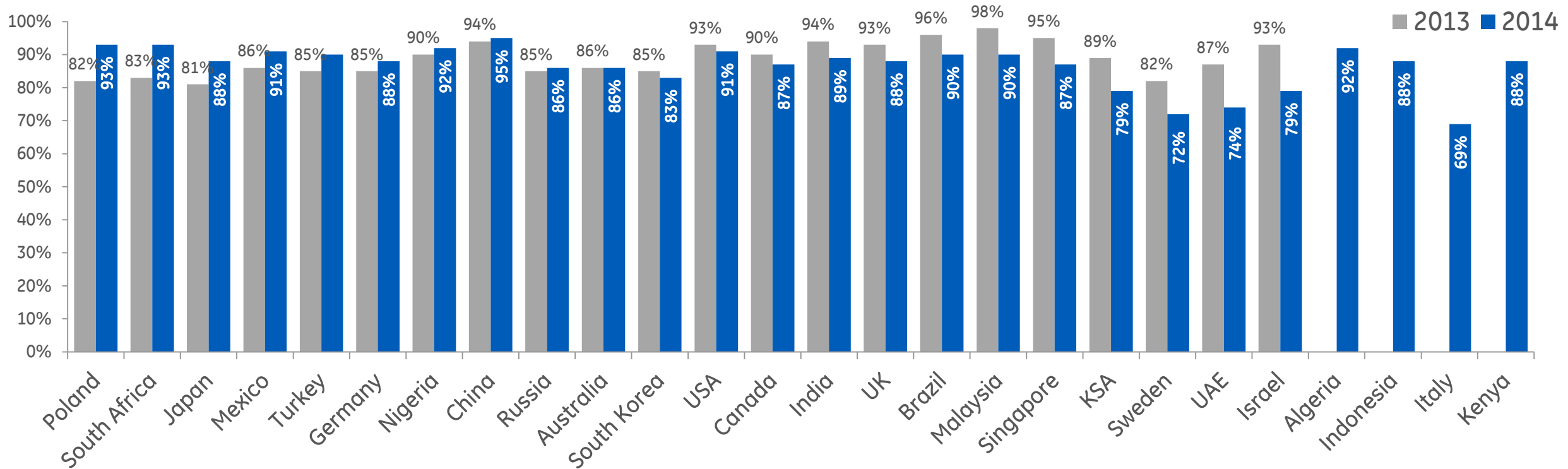


Q11-2. Thinking about the policies and actions undertaken in your country by the government and public authorities, how far do you agree with the following statements. Government support for innovation is efficiently organized. Results for top 2 boxes (somewhat agree + totally agree). Base: Country results N= 100-300 per market



# A strong priority: ensure that business confidentiality and trade secrets are adequately protected

ENSURE THAT BUSINESS CONFIDENTIALITY AND TRADE SECRETS ARE ADEQUATELY PROTECTED

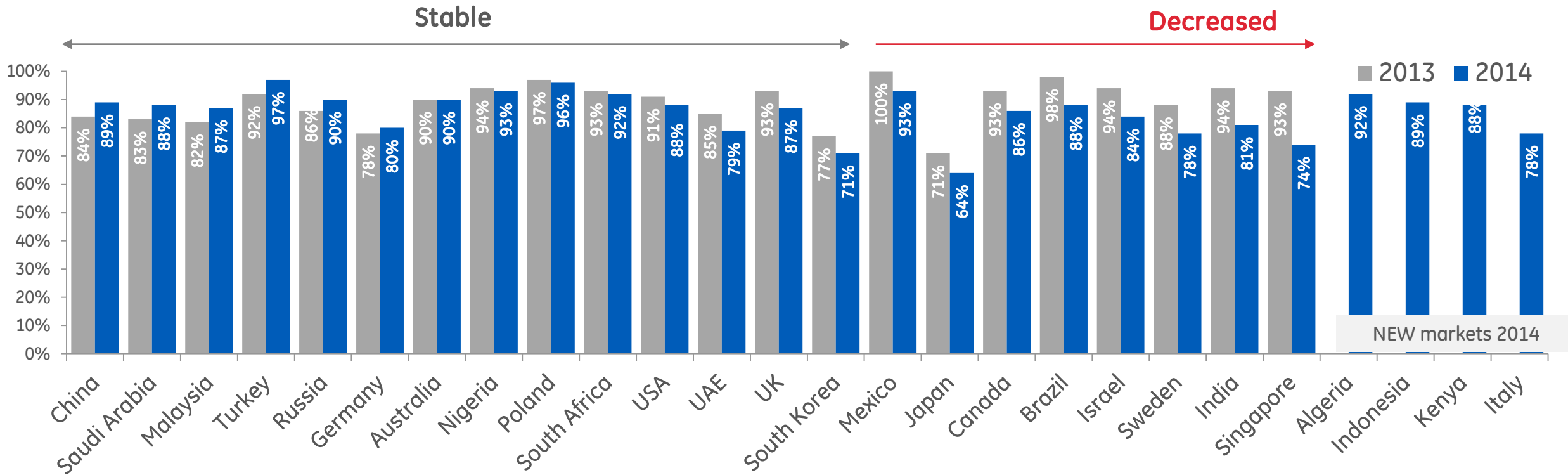


Q12-8. What are the main priorities your country should focus on to efficiently support innovation? Ensure that business confidentiality and trade secrets are adequately protected. Results for top 2 boxes (critical priority & important but not critical priority).

Base: Country results N= 100-300 per market

# Talent management remains an essential priority

BETTER ALIGN STUDENTS CURRICULA WITH THE NEEDS OF BUSINESS

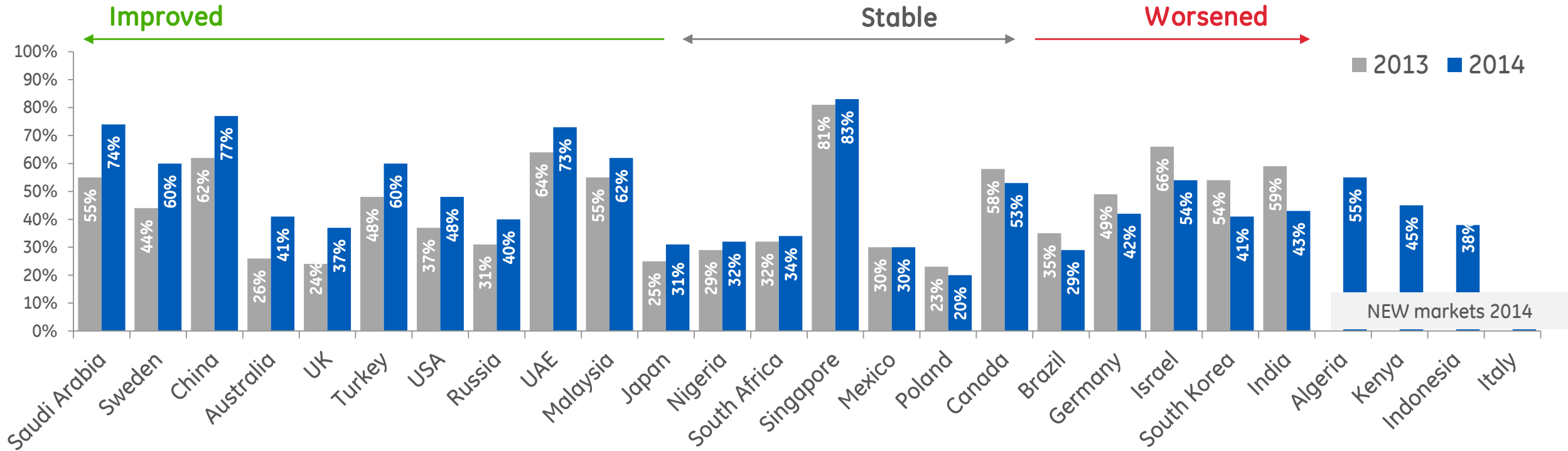


Q12. What are the main priorities your country should focus on to efficiently support innovation? Average number of critical priorities per country out of 12. Base: Country results N= 100-300 per market



# The financial support from governments and public authorities varies significantly across countries

GOVERNMENT AND PUBLIC AUTHORITIES ALLOCATE AN ADEQUATE SHARE OF THEIR BUDGET TO **SUPPORT INNOVATIVE COMPANIES**



Q12. What are the main priorities your country should focus on to efficiently support innovation? Average number of critical priorities per country out of 12. Base: Country results N= 100-300 per market



# Public Procurement is expected to adopt first in class practices

MAIN PRIORITIES COUNTRY SHOULD FOCUS ON TO EFFICIENTLY SUPPORT INNOVATION

## Lead

To ensure public procurement leads the early adoption of major innovations is a critical priority for 76%

## Better regulate

Evaluate the impact some of its local content requirement and regulatory policies  
71%

## Be open

To ensure public procurement always favor the most innovative solutions even if they come from foreign countries  
70%



Q12. What are the main priorities your country should focus on to efficiently support innovation? Global average. Results for top 2 boxes (critical priority & important but not critical priority). Base: N= 3,209

# Public subsidies / preference are broadly accepted, but nationality bias is favored by a minority

WHAT DO YOU THINK IS THE BEST PUBLIC POLICY?

Give subsidies/preferences to **local business only** to favor the development of local solutions

Give subsidies/preferences to **both local and international** businesses willing to bring innovative solutions to the market



Subsidies and preferences are **not an effective way** to support innovation as they introduce strong bias and have only short term effects

	More open to both	More local focus only	More rejectors
Sectors	• Automotive 54%	• Telecoms 38%	• Industrial products 22%
	• Healthcare 55%	• Other 34%	• FMCG 22%
	• Energy 53%	• Electronics 32%	• Manufacturing 21%
	• High-tech / IT 53%	• Professional services 29%	



Q4-6. Now we are going to present different views on the ideal innovation process, we would like you to pick the one you feel is the truest or the most relevant in driving successful innovation. Base: Global results N= 3,209

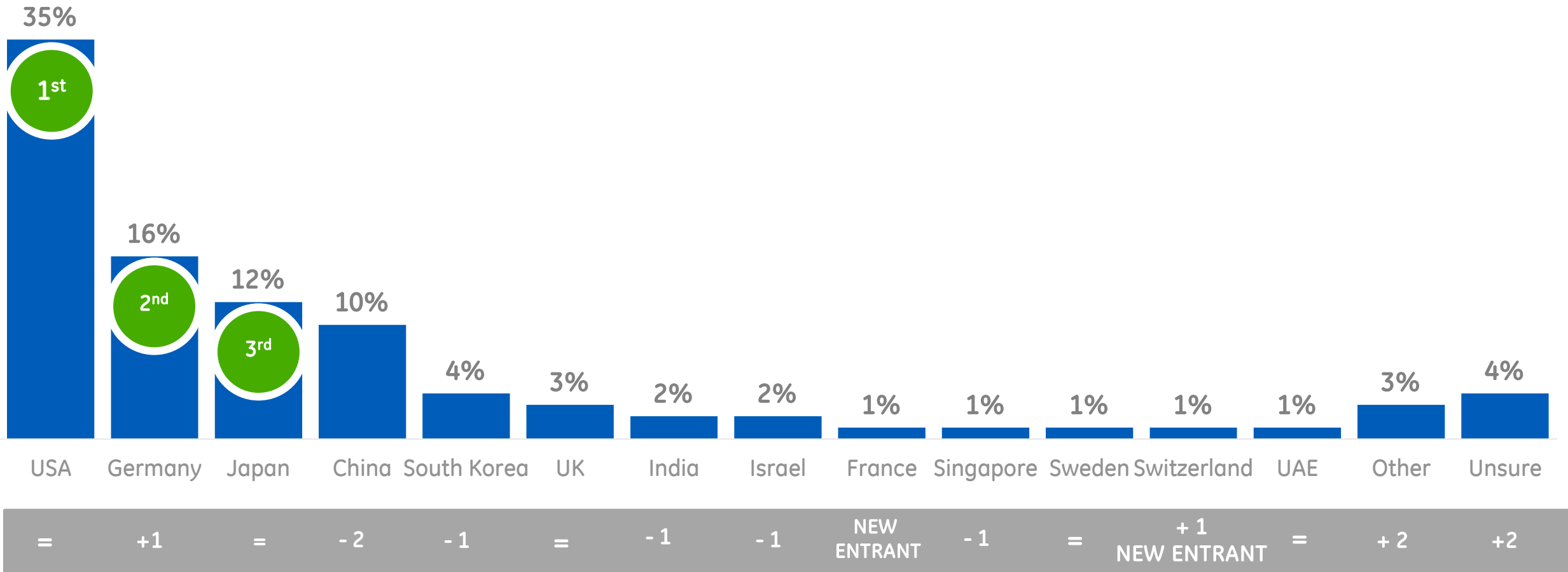


# COUNTRY REPUTATION FOR INNOVATION, SELF ASSESSMENT AND EVALUATION BY GLOBAL RESPONDENTS



# Innovation champion: If you had to choose only one

WHAT IS THE COUNTRY THAT YOU CONSIDER TO BE THE LEADING INNOVATION CHAMPION?



Exit: Netherlands, Canada

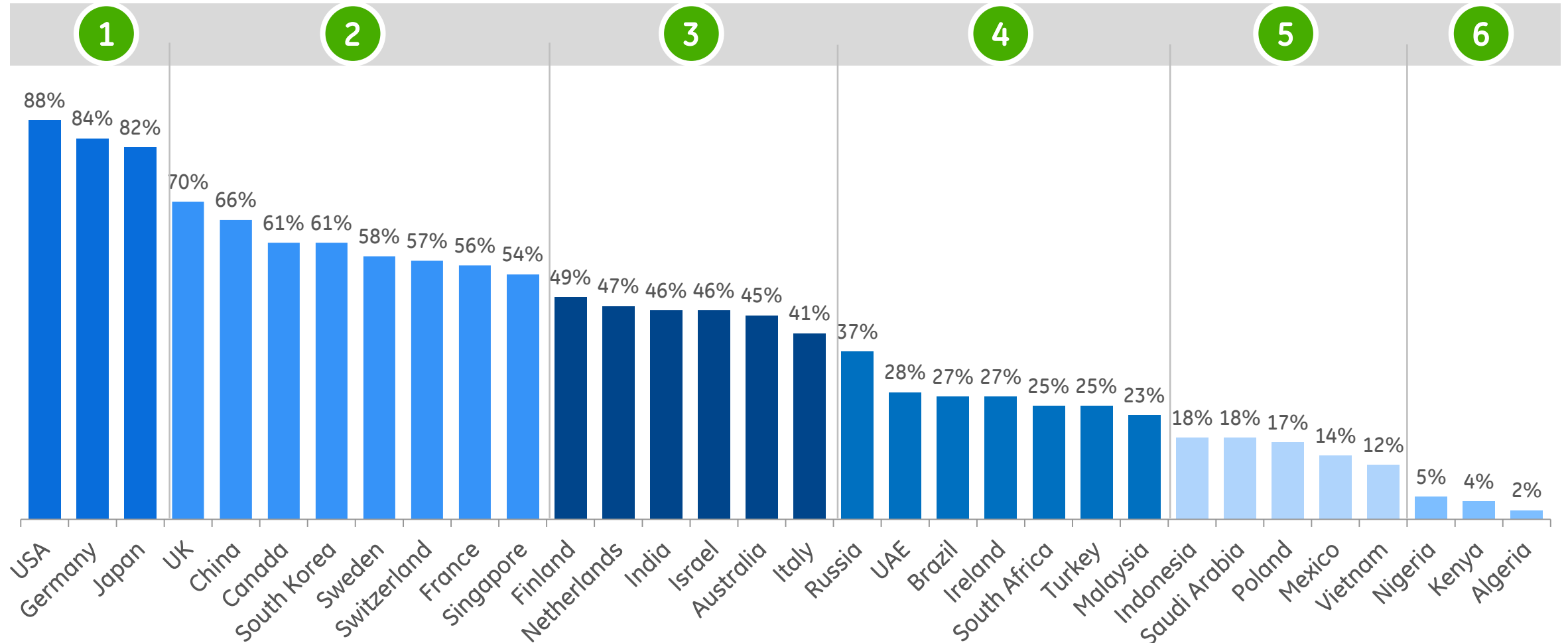


Q8. What is THE country that you consider to be the leading innovation champion? Base: N= 3,209 / Open-ended question











# Assessment of the innovation environment in each market: how innovation conducive are they?



Q9. For each of the following markets, how far would you say that they have developed an Innovation-conducive environment?  
 Base: N= 3,171 / Note: % of respondents that have given a grade superior or equal to 7/10

# A consistency between reputation and performance

		Perception	Reality based ranking	
1	USA	1	3	
	Germany	2	7	
	Japan	3	10	
2	UK	4	2	
	China	5	13	
	Canada	6	5	
	South Korea	6	8	
	Sweden	8	1	
	Singapore	9	4	
3	India	10	21	
	Israel	10	6	
	Australia	12	9	
	Italy	13	11	
4	Russia	14	18	
	UAE	15	14	
	Brazil	16	20	
	South Africa	17	17	
	Turkey	17	22	
	Malaysia	19	12	
5	Indonesia	20	23	
	Saudi Arabia	20	15	
	Poland	22	16	
	Mexico	23	19	
6	Nigeria	24	25	
	Kenya	25	24	
	Algeria	26	26	

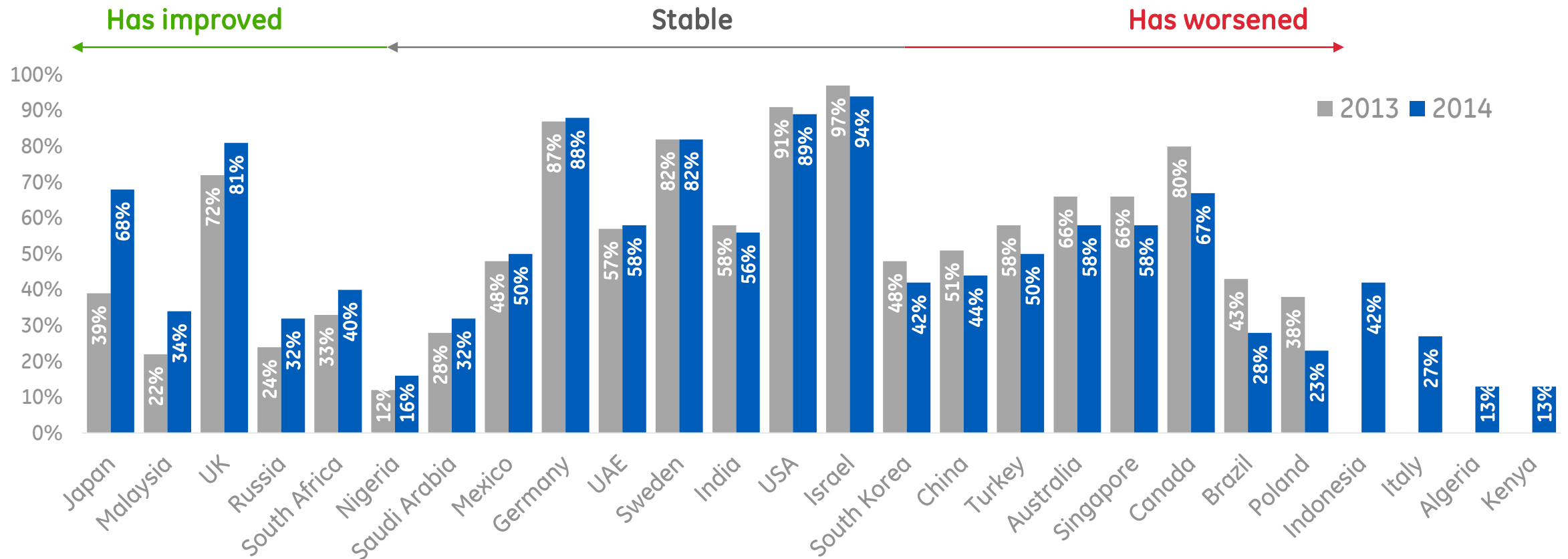
The innovation frameworks of Sweden, Malaysia, Singapore are underappreciated

The innovation frameworks of China, India and Japan are over evaluated

\*INSEAD Global Innovation Index - 2013



# The self-evaluation of the innovation framework in respondents' own country varies



Q9. For each of the following markets, how far would you say that they have developed an Innovation-conducive environment?  
 Note: % of respondents that have given a grade superior or equal to 7/10 to their own country Base: Country results N= 100-300 per market



