

February 2018

# GE Global Innovation Barometer 2018 Summary Report

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A dark blue background featuring a faint, light blue world map. The map shows the continents of North America, South America, Europe, Africa, Asia, and Australia. The text is centered over the map.

# An Introduction to the GE GIB 2018

# The evolution of the GE GIB

## KEY MEDIA HEADLINES

### 2010 – pilot

A society that allows innovation to flourish, understands that innovation, research and education are linked to one another

### 2012

9 in 10 executives are shy about moving ahead with innovation in a sinking economy

### 2013

“**Innovation vertigo:**” anxious over global economic instability, executives are unsure how to move forward with disruptive ideas, products and services

### 2014

Most business leaders **want to embrace innovation** that disrupts markets — **even if that deals a blow** to their established business models

### 2016

A **belief in the transformative power of innovation** persists; however there is enormous **pressure put on businesses to disrupt themselves and the marketplace** in today's increasingly competitive business environment



## FURTHER THEMES IN THE RESEARCH

2010

What is innovation, what industries drive innovation and what drives innovation generally

2012

The impact of the financial crisis, the global innovation environment, future expectations and optimism

2013

Innovation at a company level, country policy, business collaboration and big data

2014

The pace of innovation provides an uncertain future. The state of innovation, partnership, models, policy and people

2016

The innovation optimists. Innovation at a company and country level, human capital and start ups



# Methodology

A dark blue background featuring a faint, light blue world map. The map shows the outlines of continents and major landmasses, including North America, South America, Europe, Africa, Asia, and Australia. The text "Methodology" is overlaid on the left side of the map.

# This year's method and scope

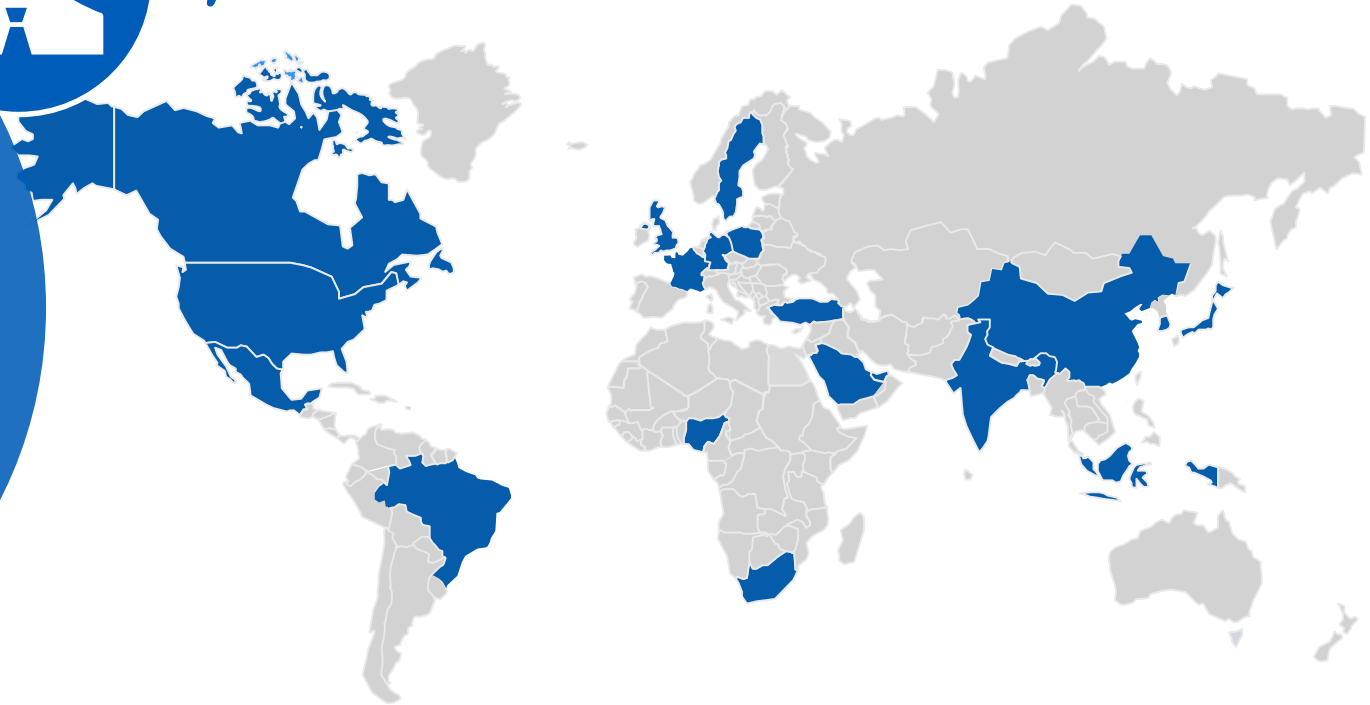
## Innovation Business Executives

Each respondent's line of work involves taking part in their company's innovation process/policies.

They are responsible for making decisions related to innovation, product development or research and development (R&D) activities in their company.



**2,090** Business Executives



**20 countries:** Brazil (150), Canada (100), China (150), France (100), Germany (100), India (150), Indonesia (80), Japan (100), Malaysia (80), Mexico (100), Nigeria (80), Poland (80), Saudi Arabia (80), South Africa (100), South Korea (100), Sweden (80), Turkey (80), UAE (80), UK (150), USA (150).

# Narrative Summary

## From Chaos to Confidence:

Emerging Players,  
Emerging Technologies,  
Emerging Challenges



# From Chaos to Confidence: Emerging Players, Emerging Technologies, Emerging Challenges

## Emerging Players

### New Actors Driving Innovation

Globally, business executives see multinationals leading innovation (+4 since 2014) while small and medium enterprises (-11 since 2014) and entrepreneurs (-2 since 2014) have lost some of their innovation drive. In the Middle East and Asia especially, the private sector is becoming a more important driver of innovation while there is a decrease in governments driving innovation.

### Emerging Confidence

While the United States (-8) and Germany (-7) see a drop in championship status from 2014, Japan (+8) and China (+4) take more share. Asia (34+ since 2014) and emerging markets are gaining confidence, viewing themselves as more innovative than they did in 2014.

### Working in a Protectionist World

Global executives want the best of both worlds: on one hand they want the benefits of protectionist policies on domestic businesses and jobs, and on the other hand, they want the benefits of globalization and open markets. A small majority of global executives (55%) believe protectionist policies benefit businesses within their country and 73% believe it is good for the workforce. However, 68% globally believe their government cannot keep up with the pace of change and 22% (of those that prefer protectionism) see multinationals as the drivers of innovation.

## Emerging Technologies

### The Potential of Additive

Global executives are excited about the potential of 3D printing, saying it will have a positive impact (63%), increase creativity (91%) and get goods to market faster (89%). At the same time, 53% believe 3D printing has yet to reach its full potential, requiring more education and reassurance.

### Maximizing the Return on Innovation (ROI)

Globally, 40% of innovations are having a positive impact on the bottom line. What's the secret to success for these "innovation achievers"? They're taking a more measured approach. Businesses are waiting to perfect and test their innovation before launch rather than getting to market quickly—a 10-point jump since 2016 (now 65%). They also are more willing to wait for long-term ROI for breakthrough innovation (84%) and have a clear structure and process in place to measure that return (50% vs. 43%).

### Hype vs. Reality of Impact

Hype around certain technologies does not always equate to transformative impact. In fact, global executives believe that many under-hyped technologies will have a transformative impact, including energy grids (74% say it will bring transformative change to their country), virtual healthcare (68%) and smart cities (71%).

## Emerging Challenges

### Future of Work

The workforce is considered the most crucial element to innovation success in most markets, yet skills gaps continue to be a top concern among businesses. Nearly 3 in 4 (74%) global executives believe a lack of skills is an issue facing their industry—a challenge that has increased over time (64% say a lack of talent/inadequate skills is a key challenge today, up from 56% in 2014).

### More Challenging Environment

The challenges confronting innovative businesses are tough – and getting tougher – both externally and internally. There is a 13-point increase (now 67%) since 2014 in lack of sufficient funding, a 6-point increase (now 65%) in the inability to scale innovations to a wider market, an 8-point increase (now 64%) in lack of adequate talent/ skillsets, and a 14-point increase (now 64%) in the inability of businesses to take risks. Emerging markets such as Poland, South Africa, Malaysia and Saudi Arabia are experiencing the greatest increase in challenges.



# Narratives in Detail





Section One:

# Emerging Players

- New Actors Driving Innovation
- Emerging Confidence
- Working in a Protectionist World



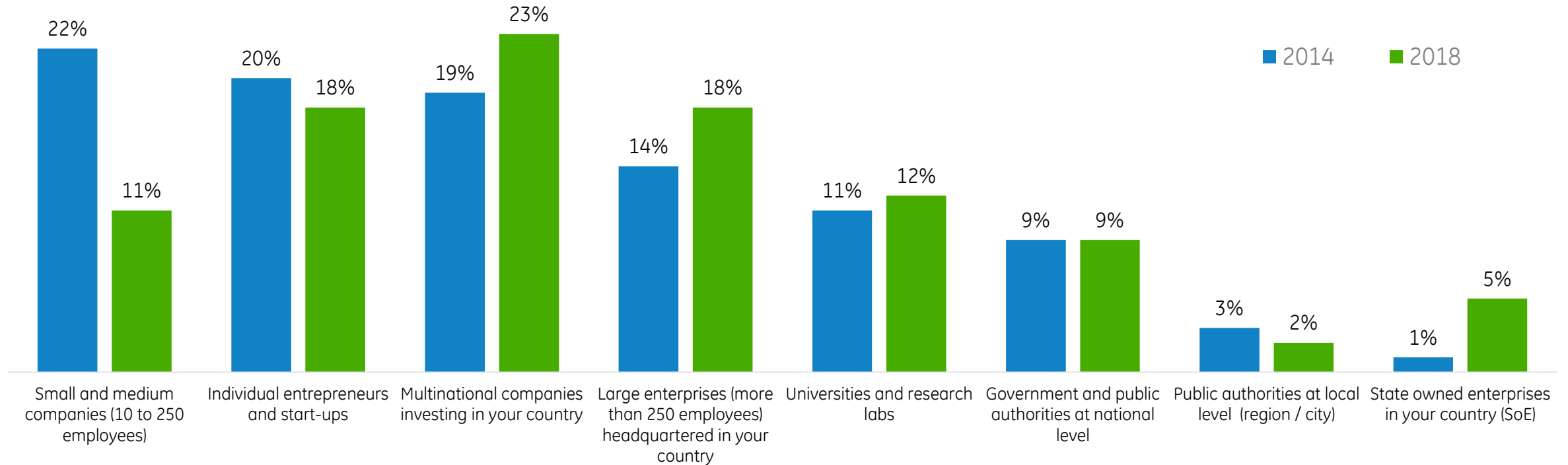
# New Actors Driving Innovation

## Executive Summary

- Globally, business executives see multinationals leading innovation (+4 since 2014) while small and medium enterprises (-11 since 2014) and entrepreneurs (-2 since 2014) have lost some of their innovation drive. In the Middle East and Asia especially, the private sector is becoming a more important driver of innovation while there is a decrease in governments driving innovation.

# Since 2014 there has been a shift from small businesses and entrepreneurs driving innovation towards large enterprises and multinationals.

Who is the main driver for innovation in your country?  
(Historical tracking data at a global level)



Q3. Who do you think is driving innovation the most today in your country? Base business executives 2014: 3,309, business executives 2018: 2,090 [Full base sizes listed in the appendix]



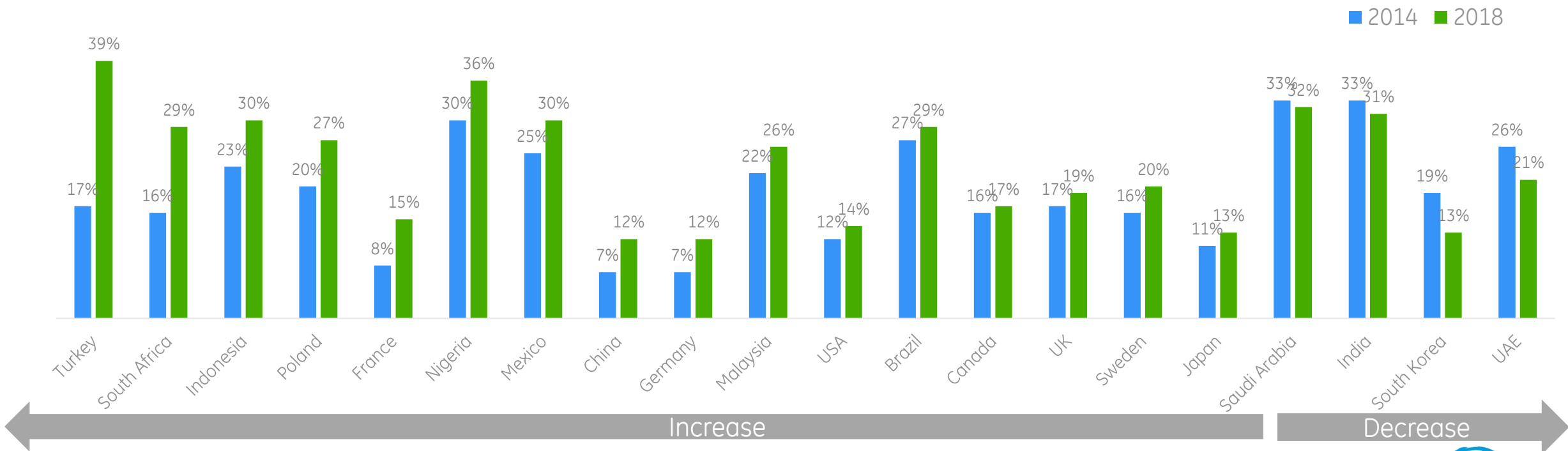
# Multinationals' growing reputation as the driver of innovation is seen across the majority of countries.

Emerging economies, notably Turkey and South Africa, have seen the largest rise in business executives believing multinationals are the main driver of innovation in their country.

**Multinationals** are the main driver for innovation in your country

(Historical tracking data at a global level)

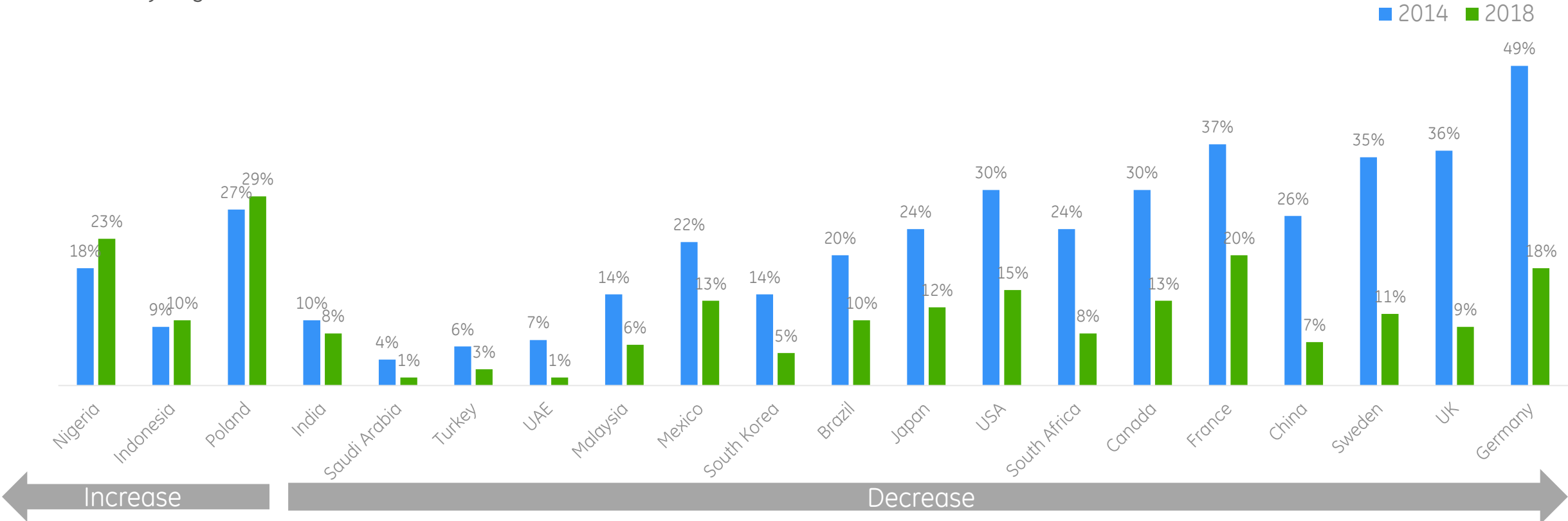
Ranked by largest increase from 2014 to 2018



Q3. Who do you think is driving innovation the most today in your country? Base business executives 2014: 3,309, business executives 2018: 2,090 [Full base sizes listed in the appendix]

# SMEs are losing their reputation as a driver of innovation in developed economies – particularly in Europe.

SMEs are the main driver for innovation in your country  
(Historical tracking data at a global level)  
*Ranked by largest decrease from 2014 to 2018*



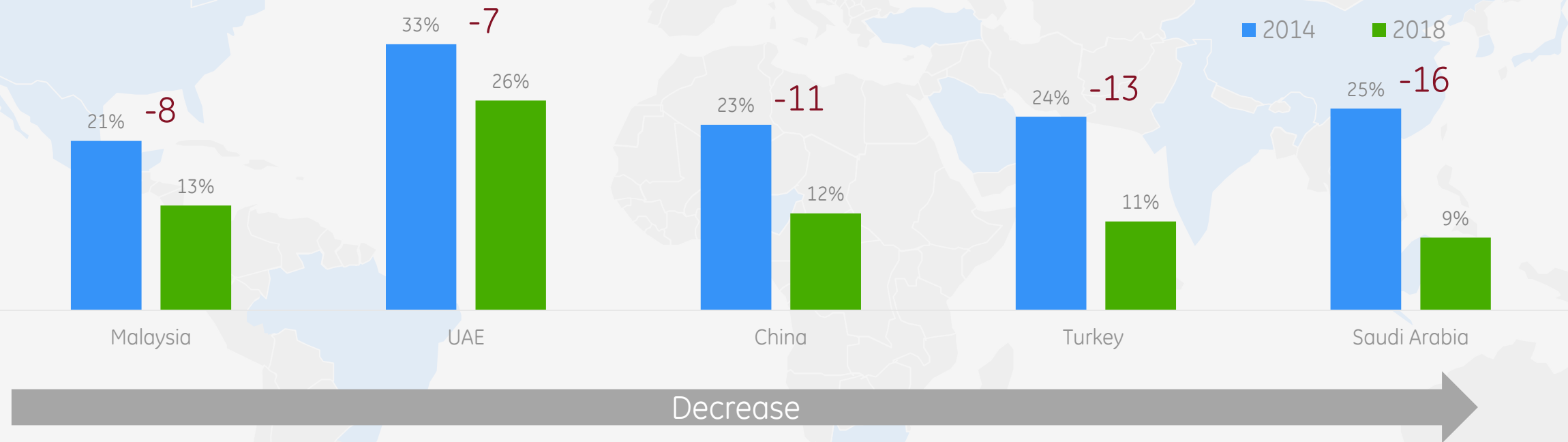
Q3. Who do you think is driving innovation the most today in your country? Base business executives 2014: 3,309, business executives 2018: 2,090 [Full base sizes listed in the appendix]





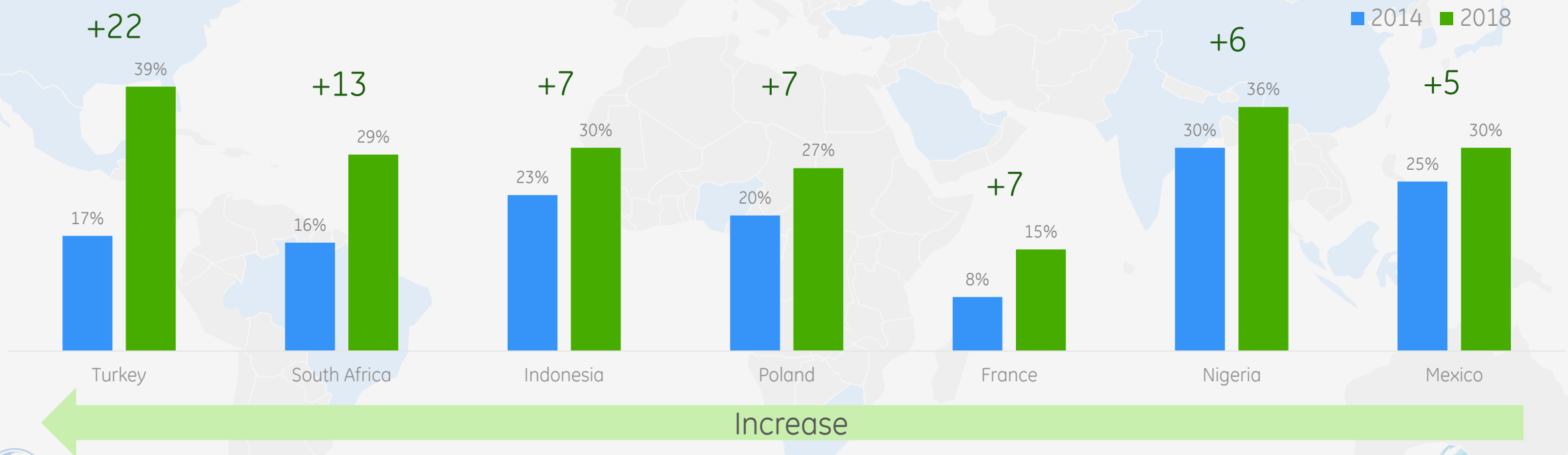
# In emerging economies, governments are now not seen to be driving innovation as much as they were in 2014.

**Governments** are the main driver for innovation in your country  
(Historical tracking data at a global level)  
*Ranked by 2014 – 2018 growth*



In parallel, in some economies where government traditionally dominated innovation, such as Turkey and South Africa, business executives now see increasing value driven by the private sector.

**Multinationals** are the main driver for innovation in your country  
(Historical tracking data at a global level)  
*Ranked by 2014 – 2018 growth*



Q3. Who do you think is driving innovation the most today in your country? Base Base business executives 2014: 3,309, business executives 2018: 2,090 [Full base sizes listed in the appendix]

# Emerging Confidence

## Executive Summary

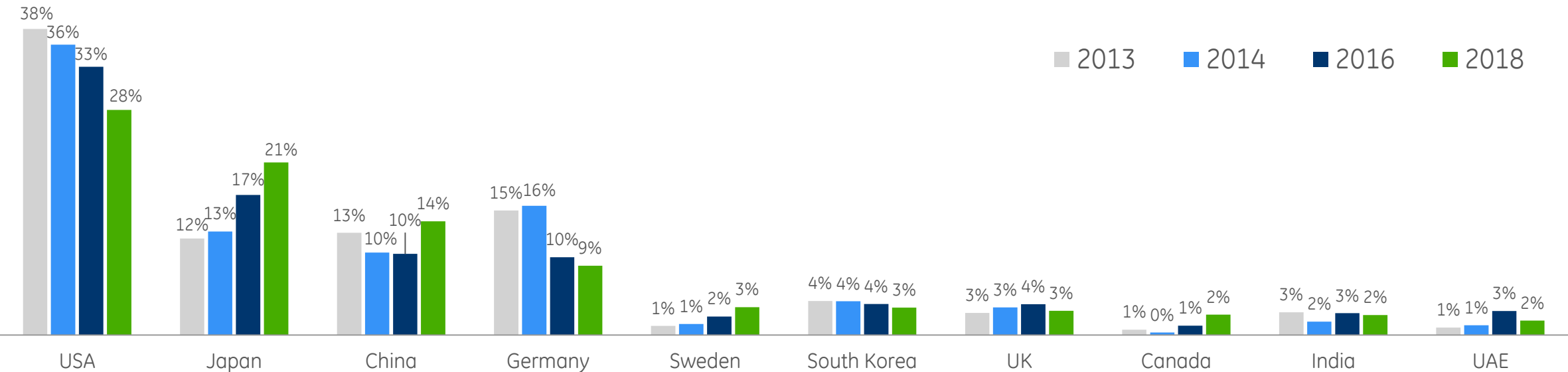
- While the United States (-8) and Germany (-7) see a drop in championship status from 2014, Japan (+8) and China (+4) take more share. Asia (34+ since 2014) and emerging markets are gaining confidence, viewing themselves as more innovative than they did in 2014.



# Countries that traditionally dominated global innovation leadership, notably the U.S. and Germany, are stalling, ceding ground to emerging and developed Asia.

Emerging markets catch up aggressively, and China and Japan have become alternative hotspots for global innovation—confirming that innovation is disrupting the global competitive landscape at the regional as well as industry level. Previous GE Global Innovation Barometers had highlighted stronger innovation momentum in emerging markets.

What is the country that you consider to be the leading innovation champion?  
*Ranked by 2018 data*

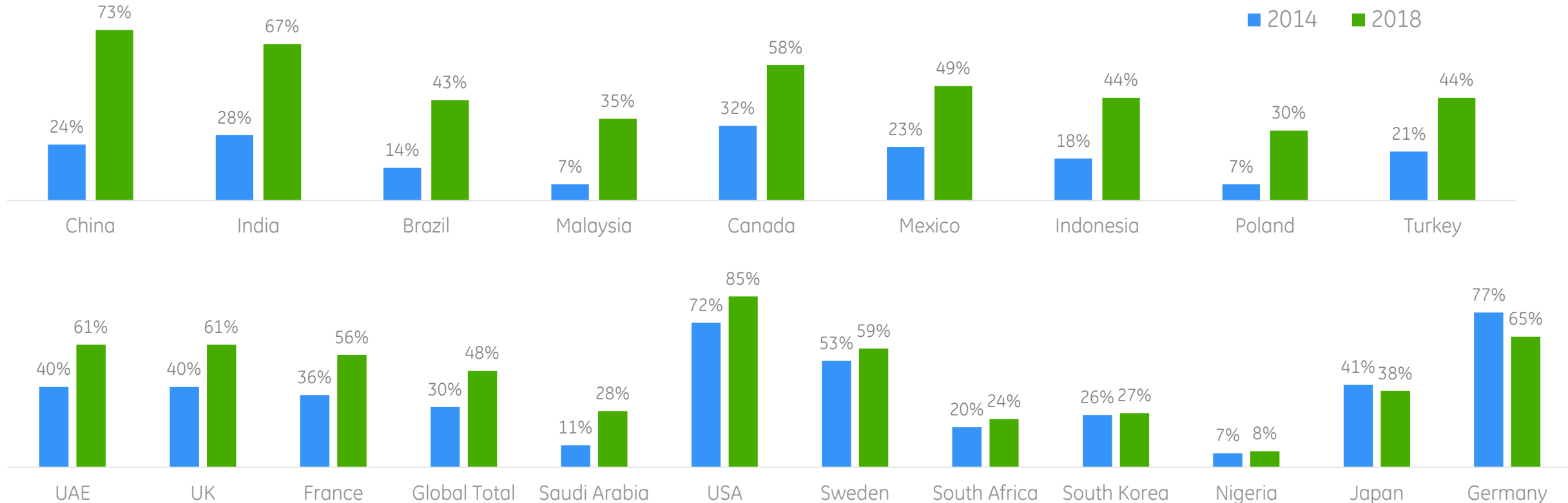


Q1. What is THE country that you consider to be the leading innovation champion? Base business executives 2013: 3,100, business executives 2014: 3,309, business executives 2016: 2,748, business executives 2018: 2,090 [Full base sizes listed in the appendix]



This shift in innovation is also felt internally, with many countries recognizing their own market as being a more innovation conducive environment than it was in 2014.

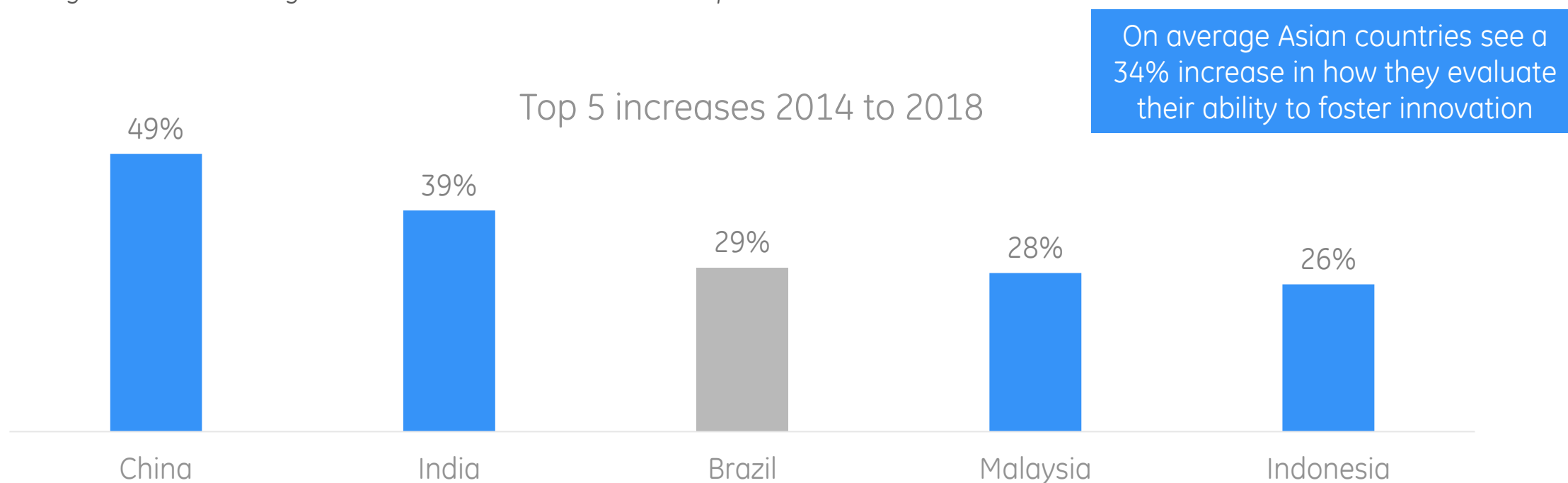
For your own market, how far would you say that you have developed an Innovation conducive environment?  
*Percentage that feel they have a strong innovation conducive environment (top 3 box)*



Q2. For each of the following markets, how far would you say that they have developed an Innovation conducive environment? [Top 3 Box 8-10] Base business executives 2014: 3,309, business executives 2018: 2,090 [Full base sizes listed in the appendix]

# Asian markets have seen the biggest increase in the way they evaluate how innovation conducive their country is.

For your own market, how far would you say that you have developed as an innovation conducive environment?  
*Percentage that have a strong innovation conducive environment (top 3 box)*



Q2. For each of the following markets, how far would you say that they have developed as an Innovation conducive environment? [Top 3 Box 8-10] Base business executives 2014: 3,309, business executives 2016: 2,748, business executives 2018: 2,090 [Full base sizes listed in the appendix]



# The innovation influence has become multipolar; China and Japan have become aspirational.

## Asia & the U.S. An aspirational relationship

Asia looks to the U.S., with **34%** of business executives viewing them as the innovation champion (**64% in China**).

## The U.S. a confident view

The U.S. believes the U.S. is the innovation champion (**61%**).

## LATAM to Japan

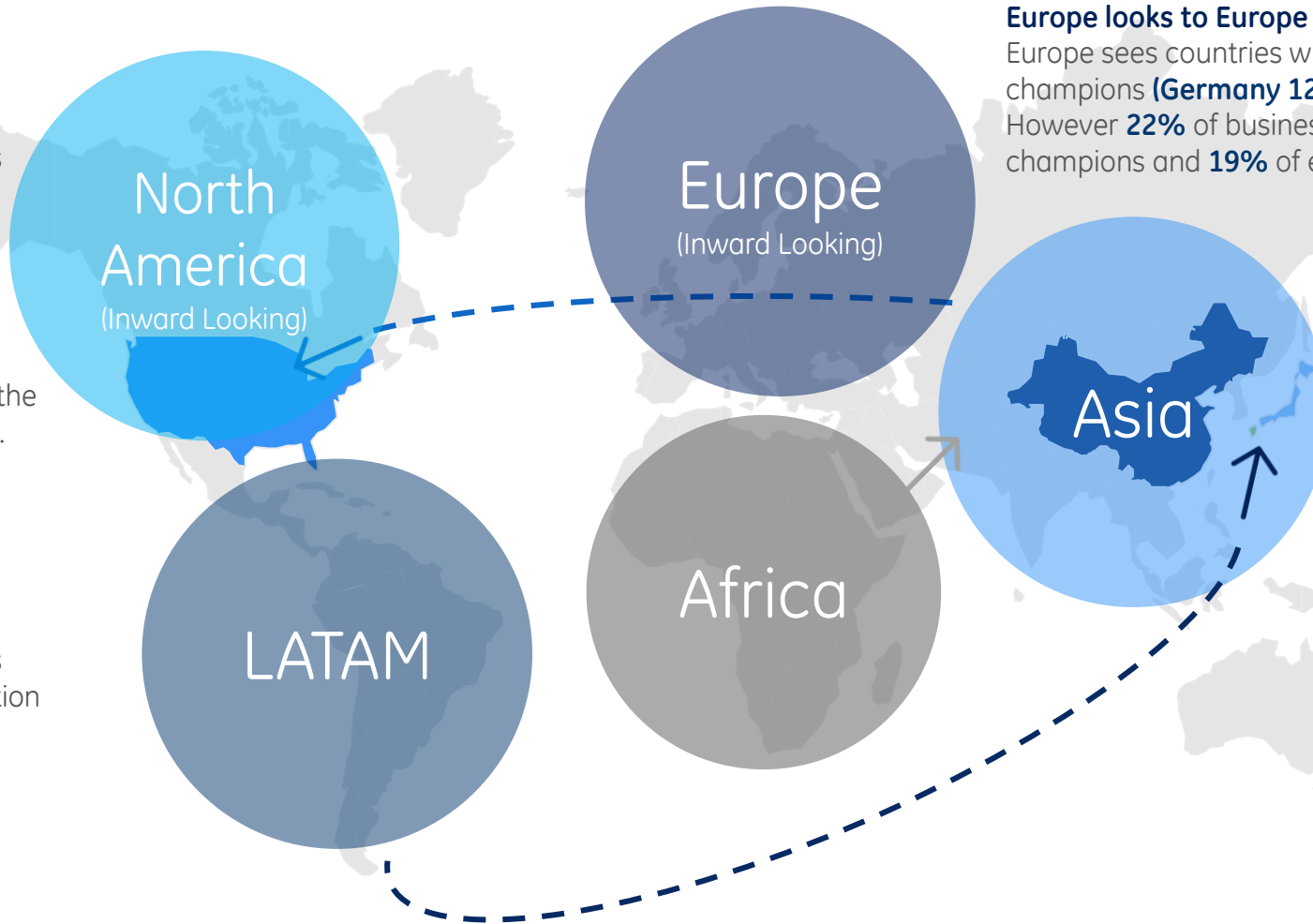
A relationship of trade and investment  
**33%** of business executives believe Japan is the innovation champion as Japan invests heavily in the region.

## Europe looks to Europe

Europe sees countries within the continent as being key innovation champions (**Germany 12%, Sweden 10%, U.K. 6%**). However **22%** of business executives in Europe look to the **U.S.** as champions and **19%** of executives look to **Japan**.

## Africa to China

A relationship of trade and investment  
**41%** of business leaders in Africa see China as the innovation champion. Chinese companies are investing in Africa and China is now the country's biggest economic partner.



Q1. What is THE country that you consider to be the leading innovation champion? Base business executives: 2,090, Brazil: 150, Canada: 100, China: 150, France: 100, Germany: 100, India: 150, Indonesia: 80, Japan: 100, Malaysia: 80, Mexico: 100, Nigeria: 80, Poland: 80, Saudi Arabia: 80, South Africa: 100, South Korea: 100, Sweden: 80, Turkey: 80, UAE: 80, UK: 150, USA: 150 Base business executives: 2,090

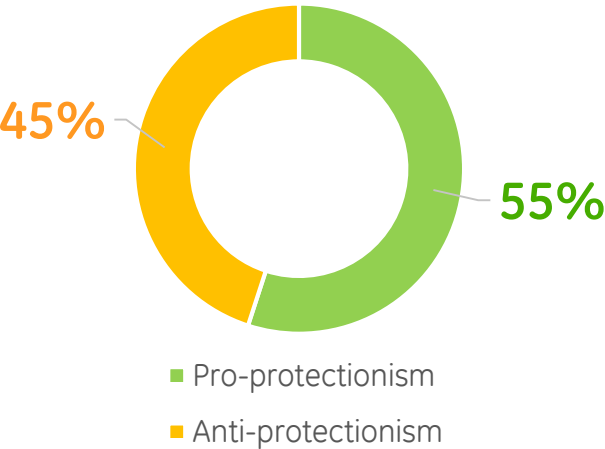
# Working in a Protectionist World

## Executive Summary

- Global executives want the best of both worlds: on one hand they want the benefits of protectionist policies on domestic businesses and jobs, and on the other hand, they want the benefits of globalization and open markets.
- A small majority of global executives (55%) believe protectionist policies benefit businesses within their country and 73% believe it is good for the workforce. However, 68% globally believe their government cannot keep up with the pace of change and 22% (of those that prefer protectionism) see multinationals as the drivers of innovation.

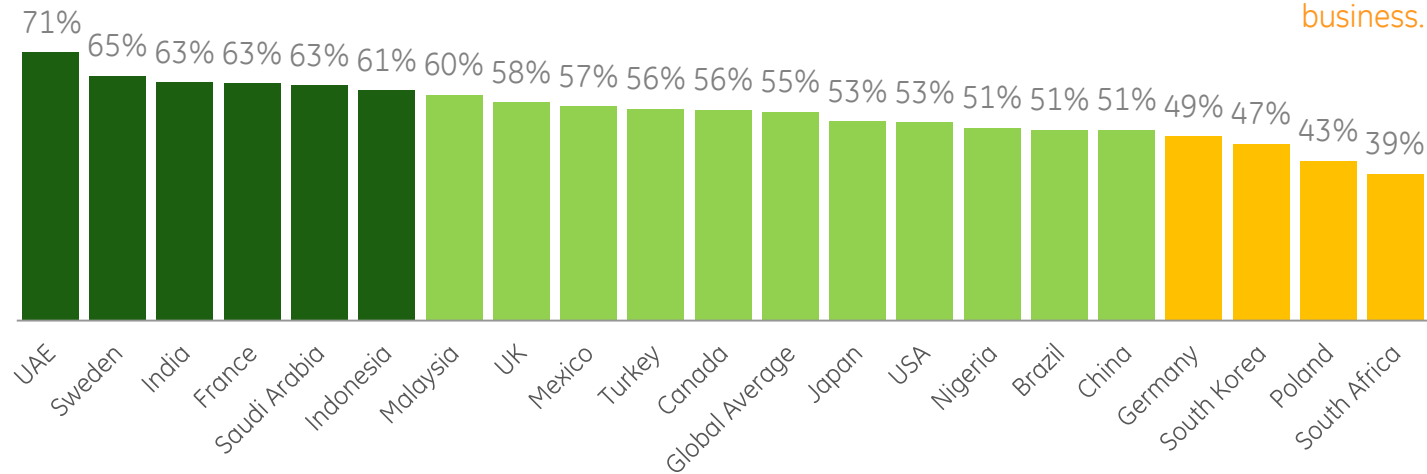
Globally, a small majority of business executives think that protectionist policies towards innovation would benefit the business sector.

55% of business executives think that if their government had protectionist policies towards innovation it would benefit the business sector.



If the government had a political protectionist stance on innovation in my country it would be beneficial to businesses.

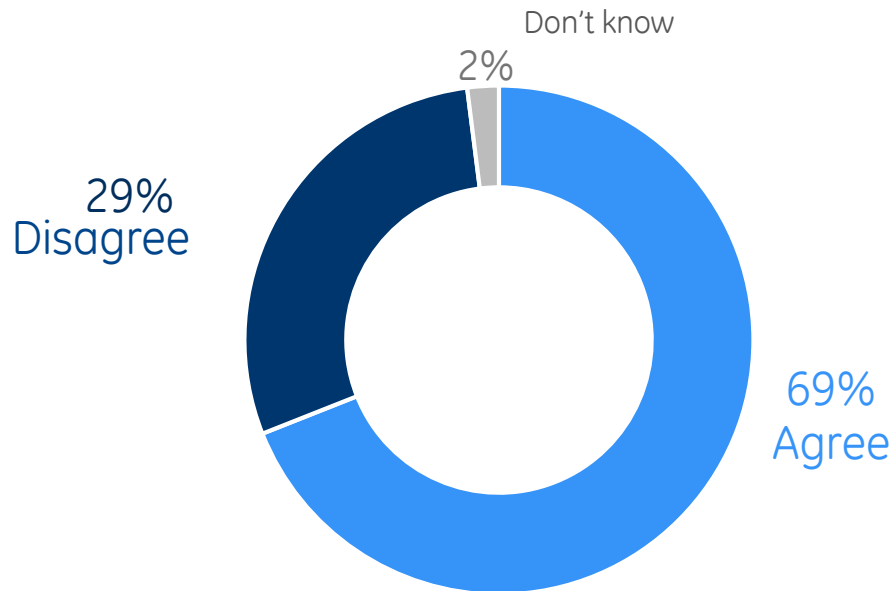
Only 4 countries had a majority that felt a protectionist stance to innovation would not be beneficial to business.



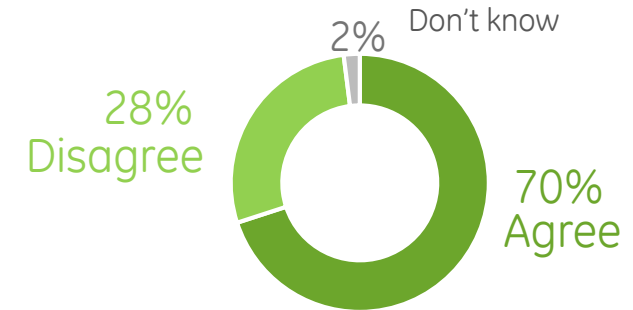


# But the majority of business executives agree that regulations around privacy and data are stifling innovation.

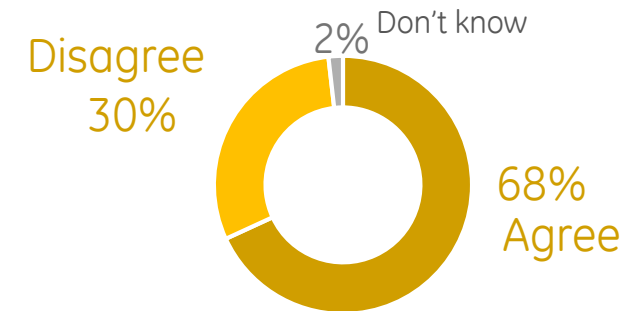
Regulations around privacy and data protection are preventing businesses from adopting more radical/transformational innovations



Pro-protectionism



Anti-protectionism

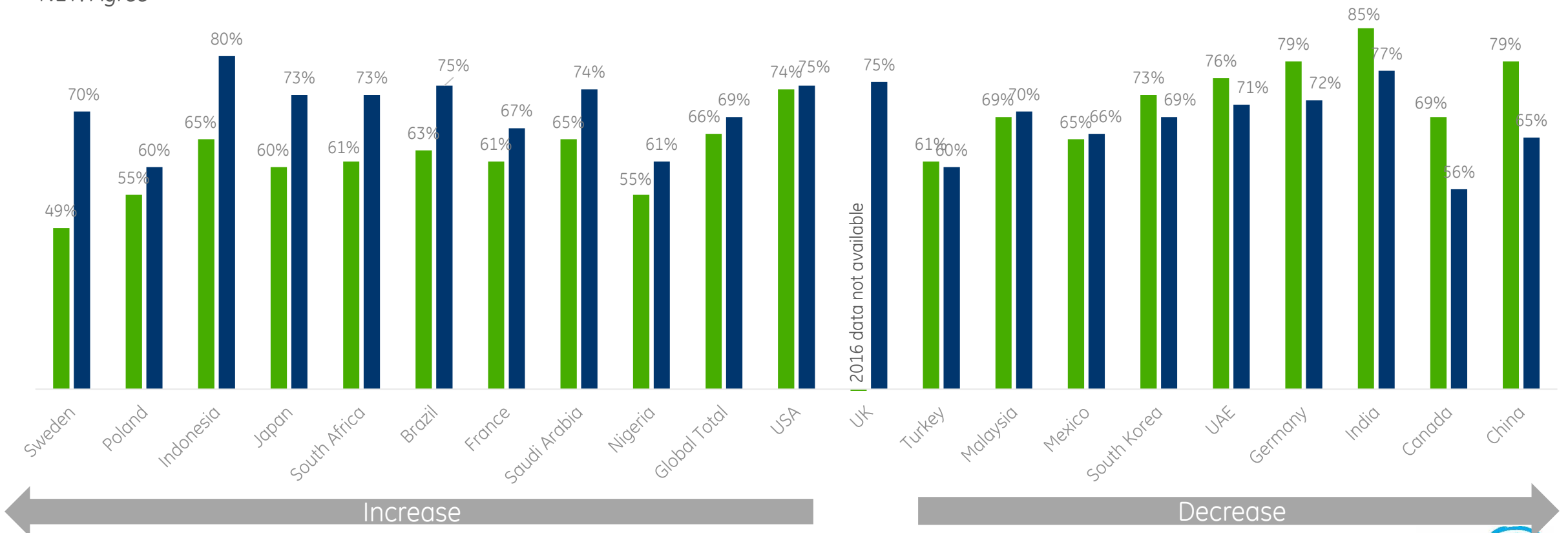


Q5. How much do you agree or disagree with the following statements? Regulations around privacy and data protection are preventing businesses from adopting more radical / transformative innovations. Base business executives: 2,090, Pro-protectionism: 1,153, Anti-protectionism: 937

# And business leaders feel regulations around privacy and data protection are stifling innovation more so than two years ago.

Regulations around privacy and data protection are preventing businesses from adopting more radical / transformative innovations  
NET: Agree

■ 2016 ■ 2018

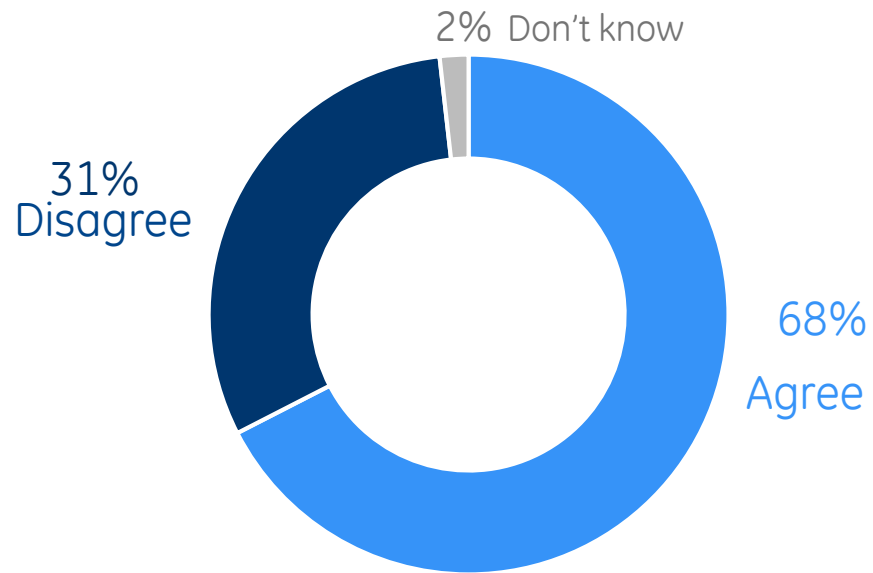


Q5. How much do you agree or disagree with the following statements? Base business executives 2016: 2,748, business executives 2017: 2,090 [Full base sizes listed in the appendix]

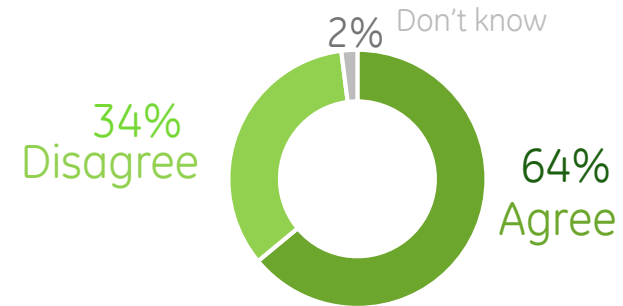


# Private sector is seen as driving innovation as governments can't cope with the pace of innovation.

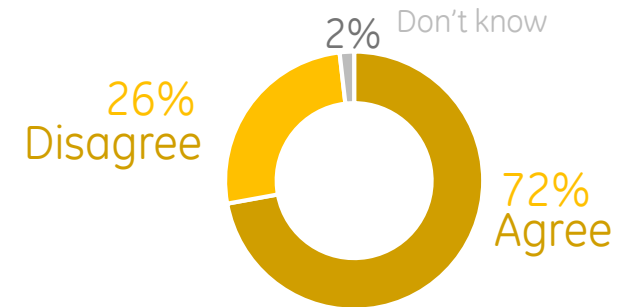
In my country, the government is not able to regulate innovation as the system **cannot keep up with the pace of innovation**



Pro-protectionism



Anti-protectionism



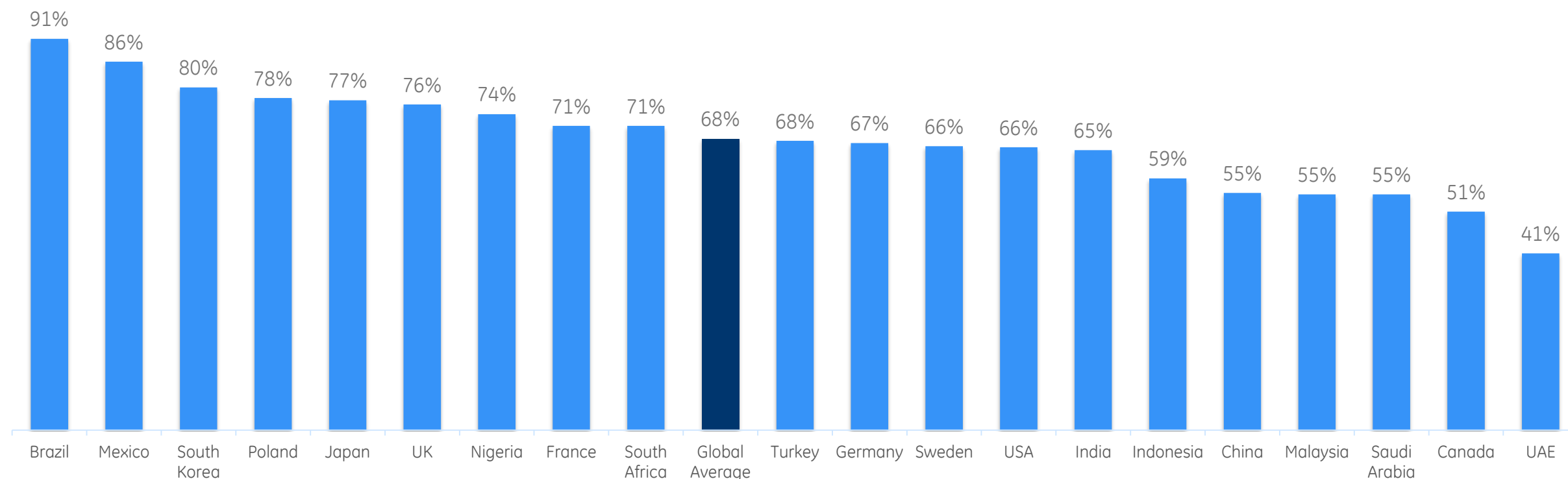
Q5.4 How much do you agree or disagree with the following statements? In my country the government is not able to regulate innovation as the system cannot keep up with the pace of innovation. Base business executives: 2,090 , Pro-protectionism: 1,153, Anti-protectionism: 937



# The majority of business executives across 20 markets feel that the government cannot keep up with the pace of innovation.

In my country, the government is not able to regulate innovation as the system cannot keep up with the pace of innovation,

*NET: Agree*



Q5. How much do you agree or disagree with the following statements? Q5\_D. In my country the government is not able to regulate innovation as the system cannot keep up with the pace of innovation. Base business executives: 2,090, Brazil: 150, Canada: 100, China: 150, France: 100, Germany: 100, India: 150, Indonesia: 80, Japan: 100, Malaysia: 80, Mexico: 100, Nigeria: 80, Poland: 80, Saudi Arabia: 80, South Africa: 100, South Korea: 100, Sweden: 80, Turkey: 80, UAE: 80, UK: 150, USA: 150

A dark blue background featuring a faint, light blue world map. The map shows the continents and major landmasses, with a slightly textured or grainy appearance.

## Section Two:

# Emerging Technologies

- The Potential of Additive
- Maximizing the Return on Innovation (ROI)
- Hype vs. Reality of Impact

# The Potential of Additive

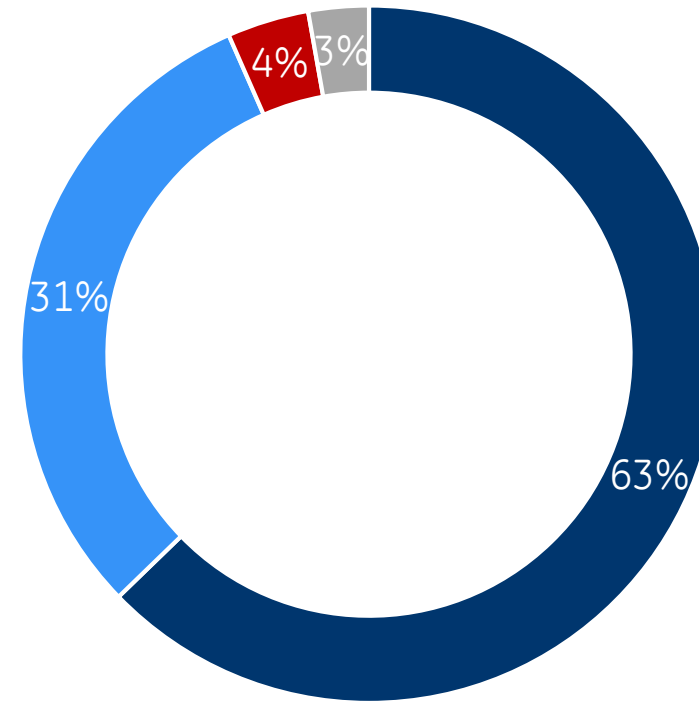
## Executive Summary

- Global executives are excited about the potential of 3D printing, saying it will have a positive impact (63%), increase creativity (91%) and get goods to market faster (89%). At the same time, 53% believe 3D printing has yet to reach its full potential, requiring more education and reassurance.



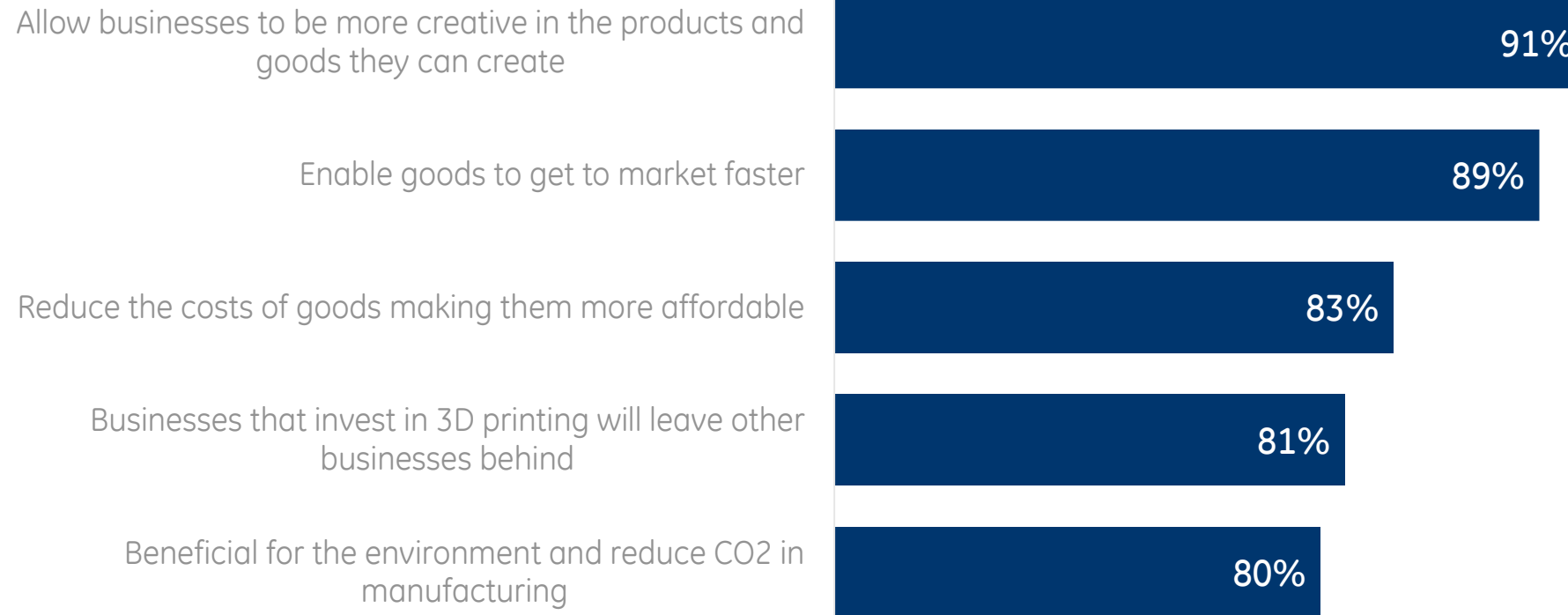
# The majority of business executives believe 3D printing's impact will be mostly positive for businesses in their country.

- I think 3D printing will have a positive impact on businesses in my country
- I think 3D printing will have both a positive and negative impact on businesses in my country
- I think 3D printing will have a negative impact on businesses in my country
- Don't know



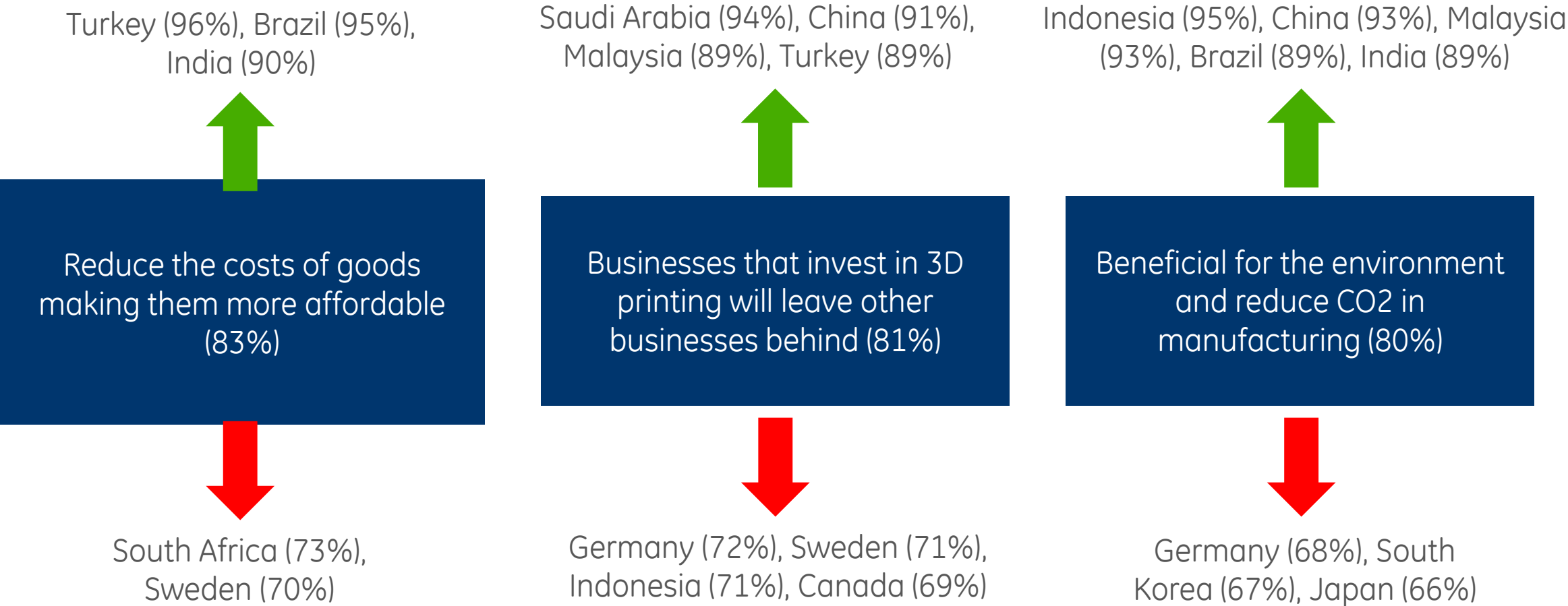
Q13. We would now like to ask you about 3D (3-dimensional) printing and the impact you think this might have on businesses in your country. Do you think 3D (3-dimensional) printing is beneficial or could have a negative impact on businesses? Base Business Executives: 2,090

Benefits include increased creativity, speed to market, lower costs, competitive advantage and improved CO2 footprint.



Q14. Imagine 3D printing has become a reality in your country with business and industries adopting it. How far do you agree or disagree with the following statements? Base Business Executives: 2,090

# However, the benefits of 3D printing vary at a country level.



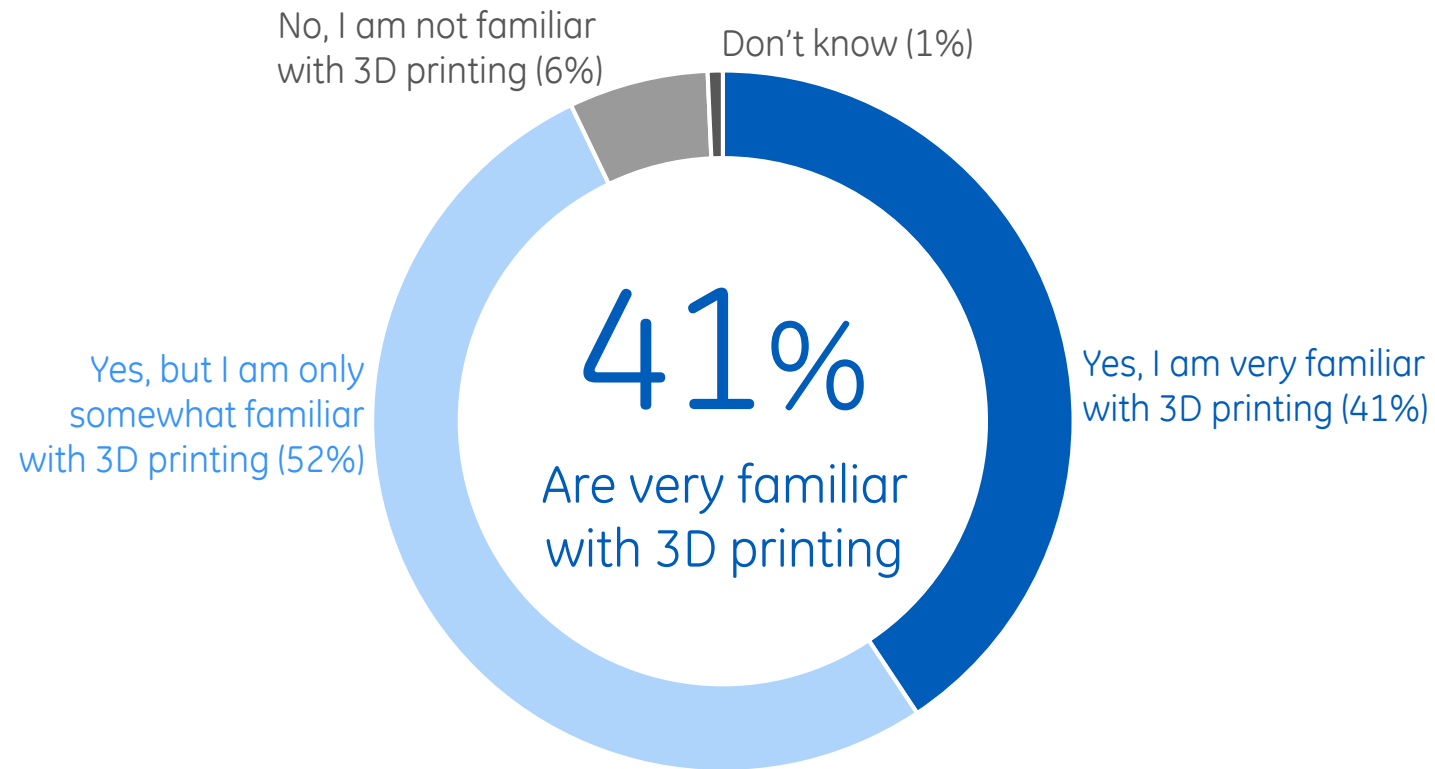
Q14. Imagine 3D printing has become a reality in your country with business and industries adopting it. How far do you agree or disagree with the following statements? [Net: Agree] Base business executives: 2,090, Brazil: 150, Canada: 100, China: 150, France: 100, Germany: 100, India: 150, Indonesia: 80, Japan: 100, Malaysia: 80, Mexico: 100, Nigeria: 80, Poland: 80, Saudi Arabia: 80, South Africa: 100, South Korea: 100, Sweden: 80, Turkey: 80, UAE: 80, UK: 150, USA: 150





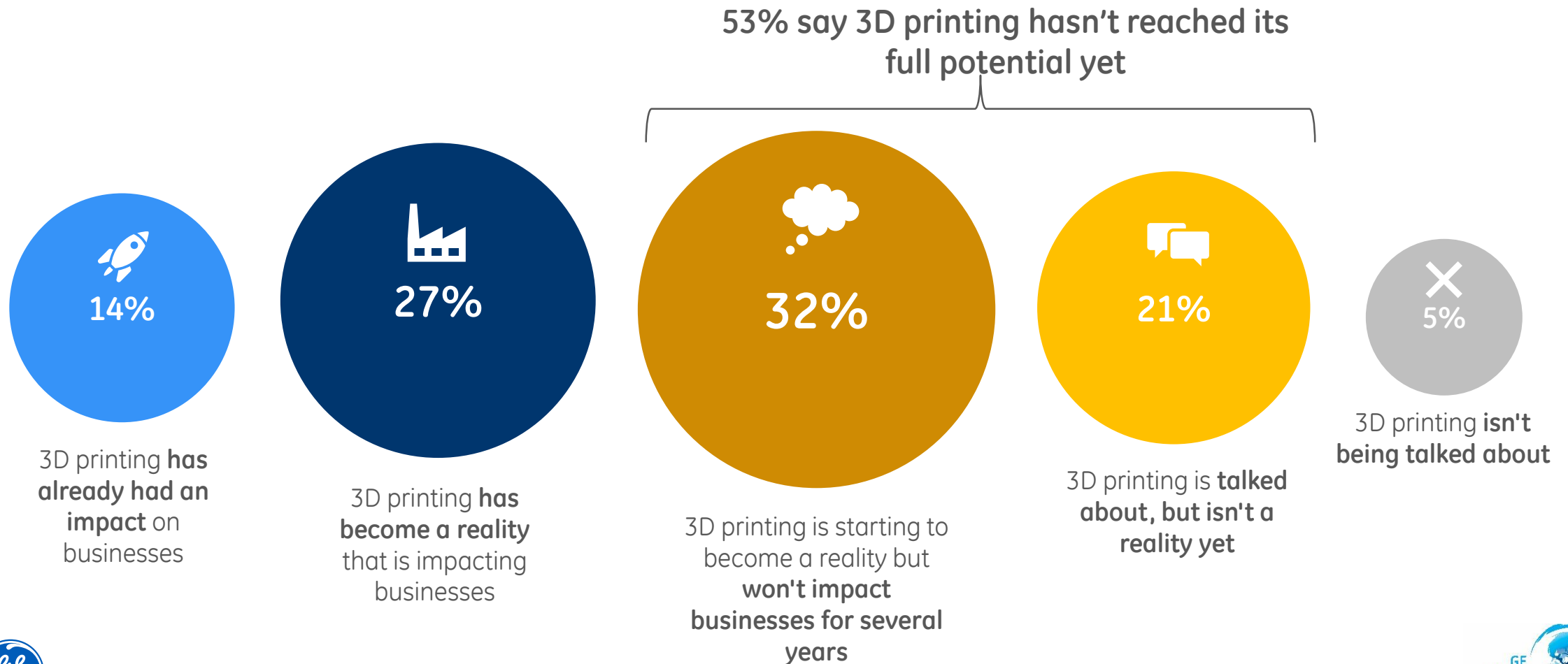
# Only 4 in 10 business executives are very familiar with 3D printing.

With only 4 in 10 business executives being very familiar with 3D printing, there is work to be done to encourage the majority of business executives to become more familiar and therefore adopt 3D printing.



Q11. Are you familiar with 3D (3-dimensional) printing and what it is? Base Business Executives: 2,090

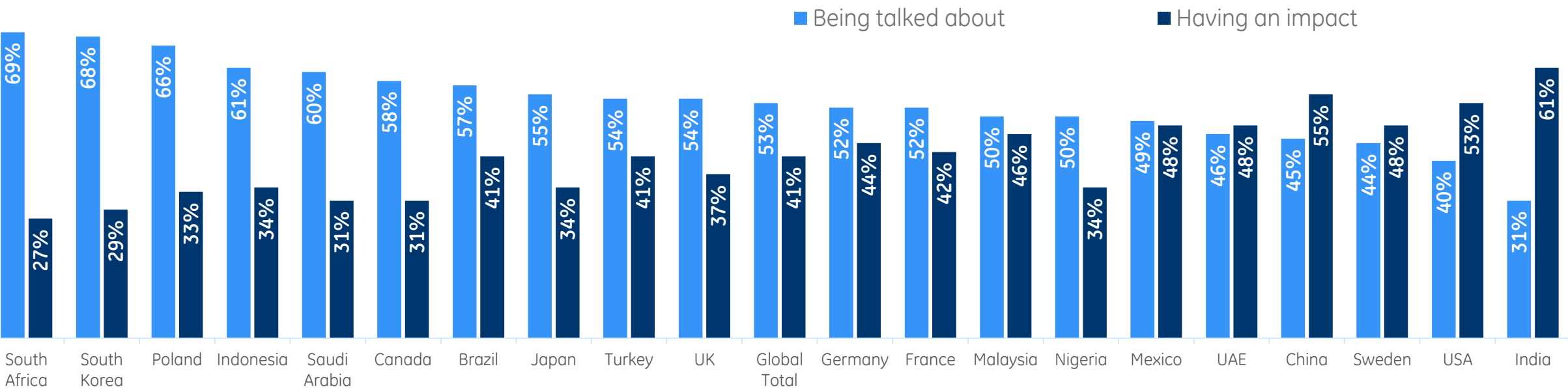
However, a majority of business executives believe 3D printing has yet to realize its full potential.



Q12. How mature would you say the 3D (3-dimensional) printing industry is in your country. Base Business Executives: 2,090

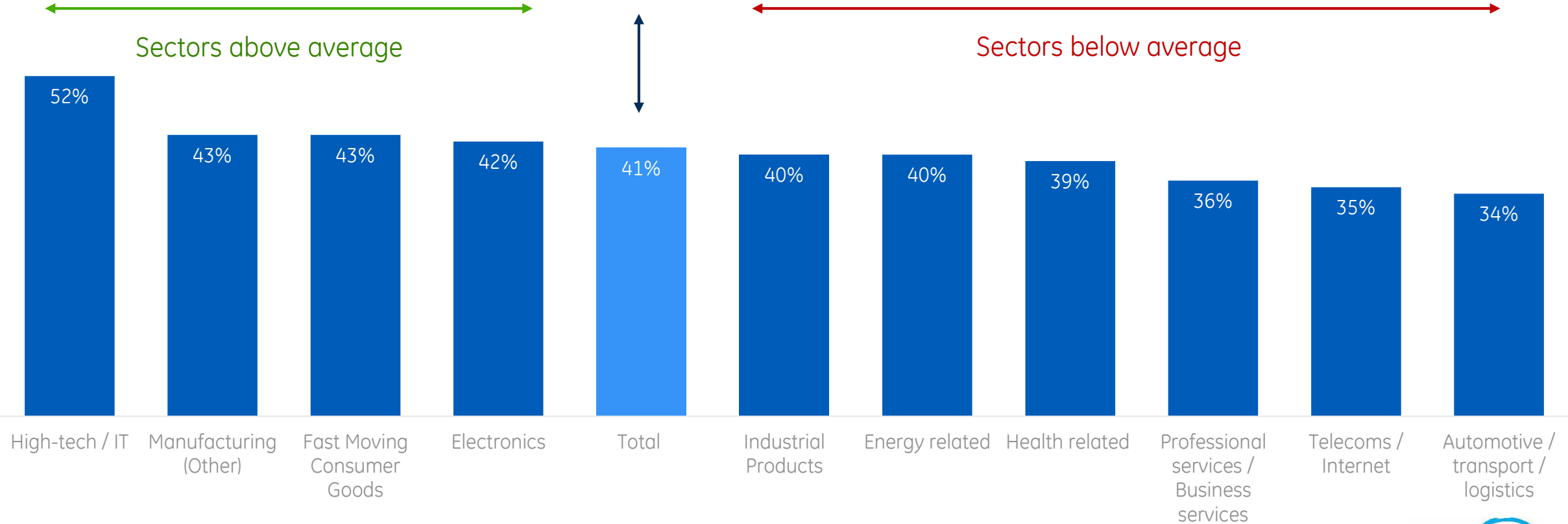
Outside of larger countries with strong manufacturing industries, most do not believe 3D printing has made an impact yet in their country.

How mature would you say the 3D (3-dimensional) printing industry is in your country?



Globally, the high-tech /IT and manufacturing sectors are most likely to see the impact of 3D printing.

3D Printing is having an impact in my country



Q12. How mature would you say the 3D (3-dimensional) printing industry is in your country. Base Business Executives: 2,090





# Maximizing the Return on Innovation

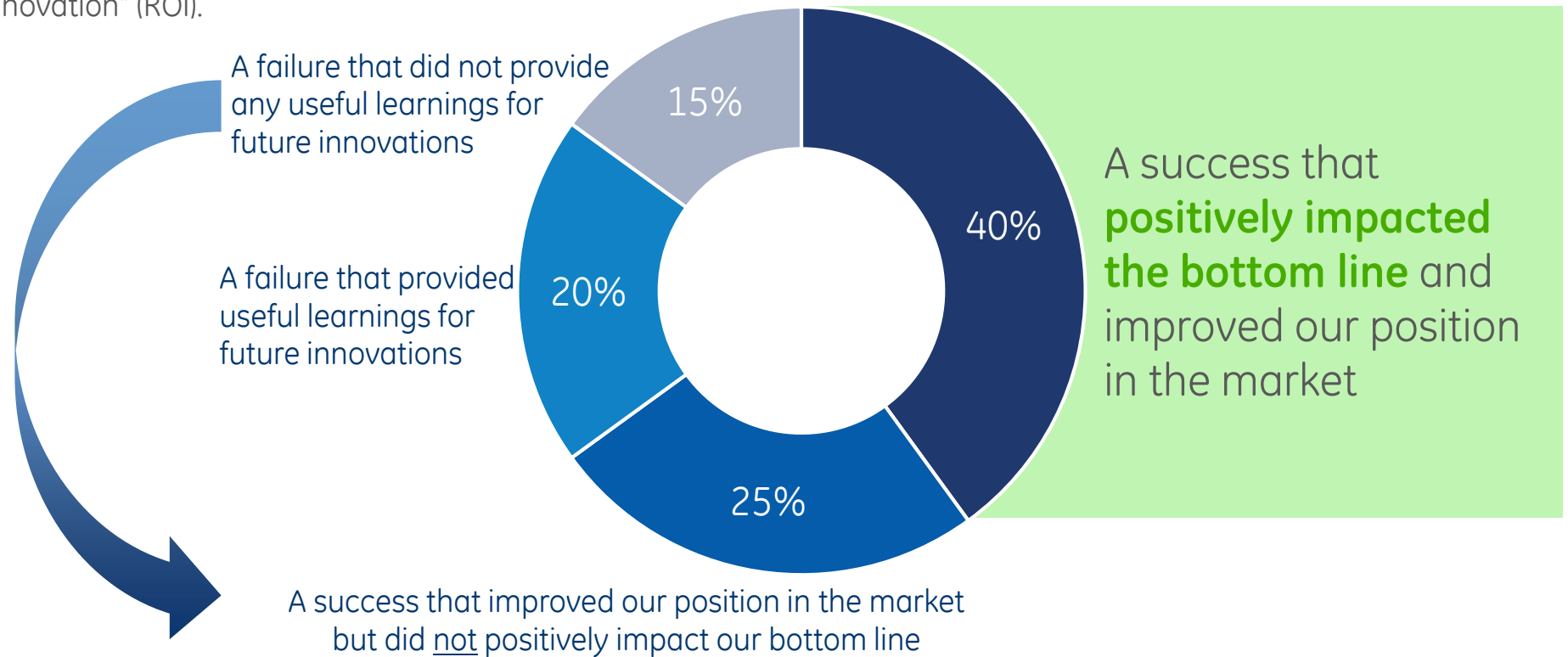
## Executive Summary

- Globally, 40% of innovations are having a positive impact on the bottom line. What's the secret to success for these "innovation achievers"? They're taking a more measured approach. Businesses are waiting to perfect and test their innovation before launch rather than getting to market quickly—a 10-point jump since 2016 (now 65%). Innovation achievers also are more willing to wait for long-term ROI for breakthrough innovation (84%) and have a clear structure and process in place to measure that return (50% vs. 43%).

# We measured a decrease in the appetite for bullish risk-taking.

Businesses are placing further emphasis on protecting their bottom line and maximizing the “Return on Innovation” (ROI).

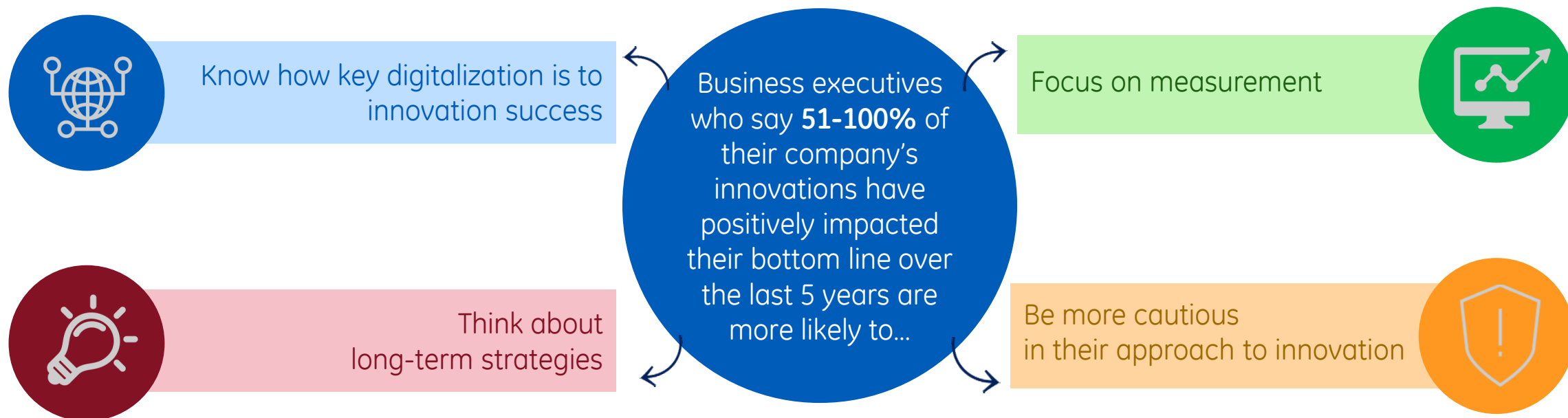
60% of innovations over the last five years have not resulted in a positive impact on the bottom line  
(Mean Score)



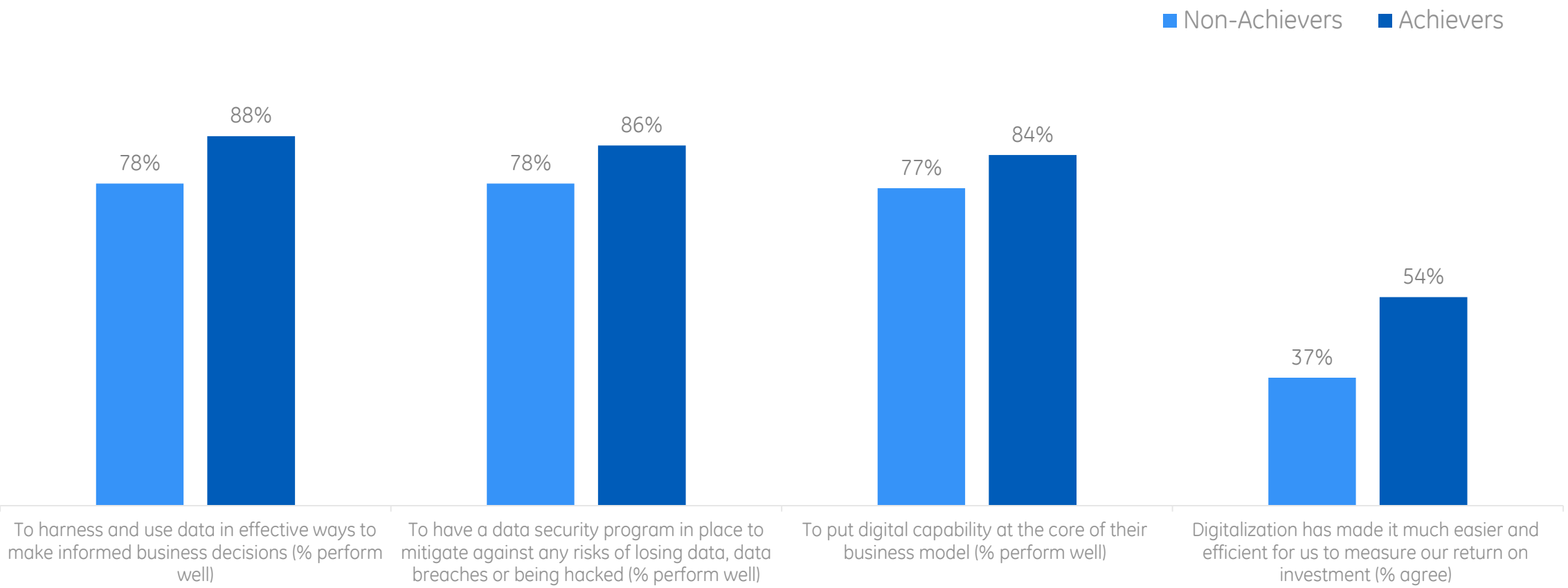
Q23. What percentage of your company's innovations over the past 5 years do you think have fallen into the following categories? (MEAN SCORE – including 0) Base business executives 2018: 2,090

# Already challenged in their ability to disrupt themselves and keep up with the innovation race, business executives re-emphasize the basic and fundamental recipes for success.

Businesses are choosing their battles, with an emphasis on digital transformation; focusing on a properly measured ROI and being more measured in their go-to-market strategy.

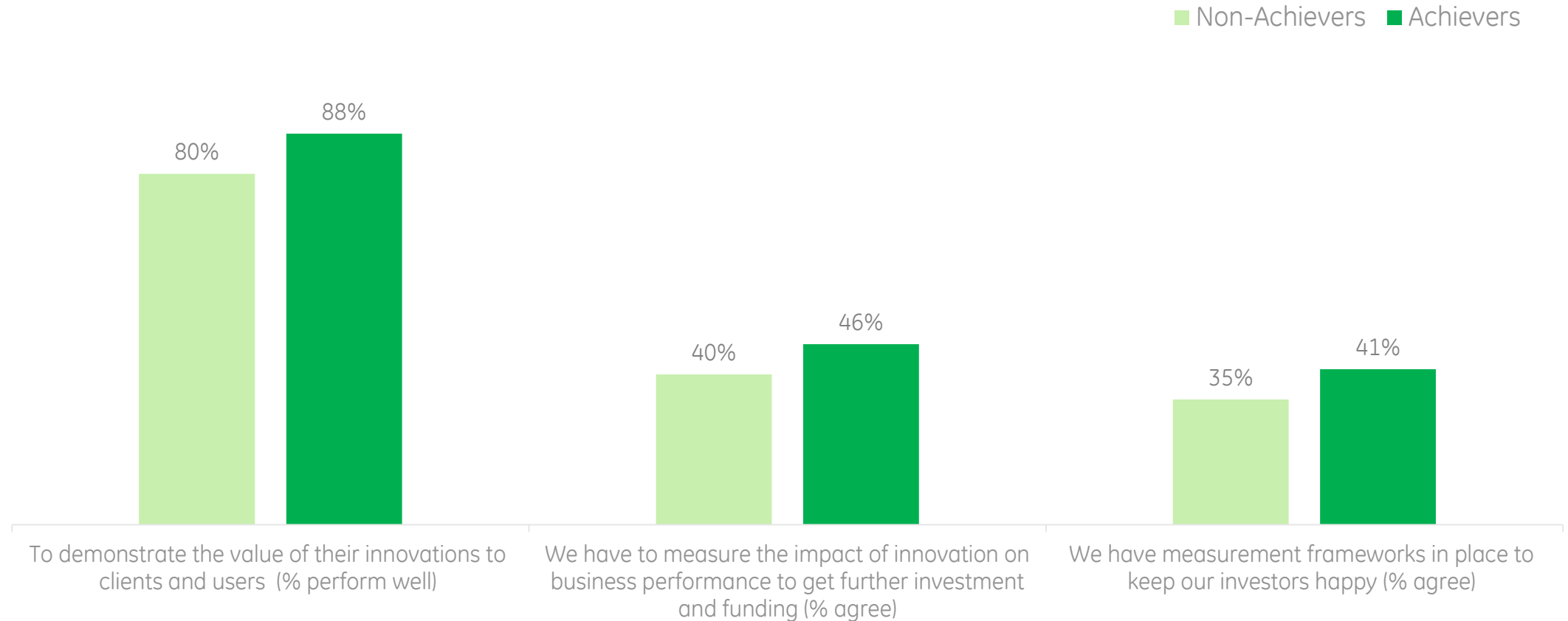


# Innovation achievers are using data effectively and integrating digital capabilities into the business model.



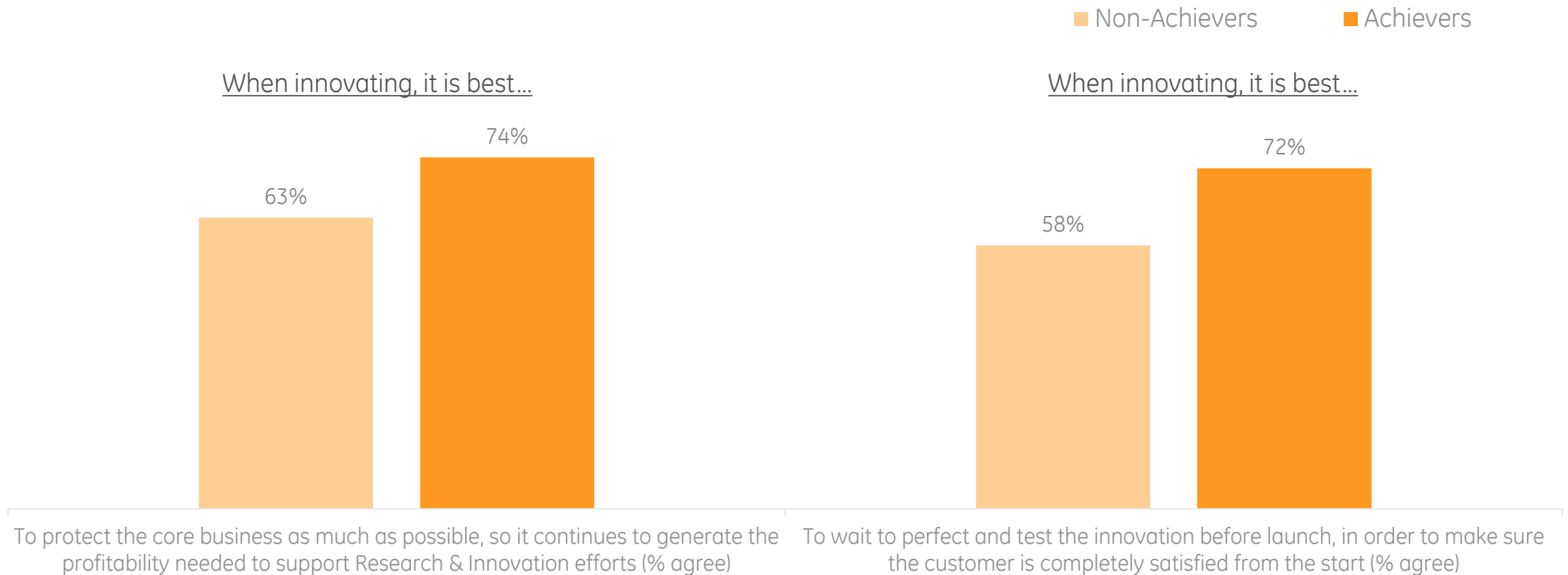


Achievers are more likely to focus on demonstrating the value to investors, clients and users, and measure the successes of their innovations.



Q23 – Mean (Including Zero) Summary - What percentage of your company's innovations over the past 5 years do you think have fallen into the following categories? Base business executives 2018: 2,090. Base 0-25% 693, 26-49% 688, 50-100% 709. Q17 How does your company currently perform against these success criteria? Q22 - Which of the below statements represent your attitudes to measuring the return on investment of innovation at your company? Base business executives 2018: 2,090

# Achievers are more cautious and measured in their approach to innovation.

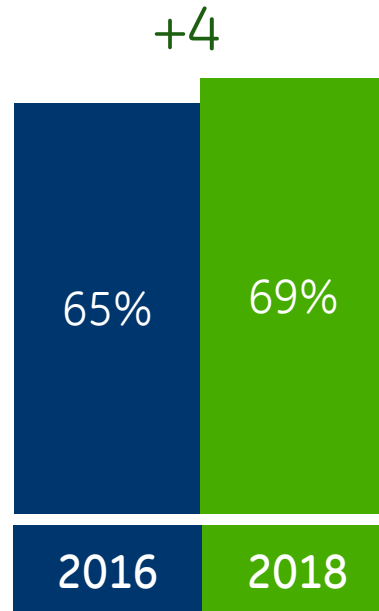


Q23 – Mean (Including Zero) Summary - What percentage of your company's innovations over the past 5 years do you think have fallen into the following categories? Base business executives 2018: 2,090. Base 0-25% 693, 26-49% 688, 50-100% 709. Q16. On a scale from 1 to 10, how crucial do you think the following elements are for a company to be able to innovate successfully? Q24A - Now we are going to present different views on the ideal innovation process. For each you will be shown two options. We would like you to pick the one you feel is the truest or the most relevant in driving successful innovation. Base business executives 2018: 2,090c

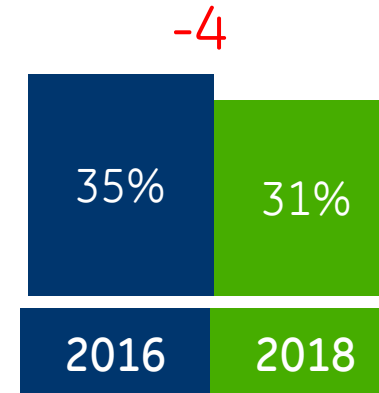
# With decreased emphasis on speed and more emphasis on protecting their core business, executives are undergoing a reality check.

When innovating, it is best...  
(19 markets no UK)

To **protect the core business as much as possible**, so it continues to generate the profitability needed to support Research & Innovation efforts



To bring innovative **products and/or services to market as fast as possible without worrying about the short-term impact** it can have on the core business



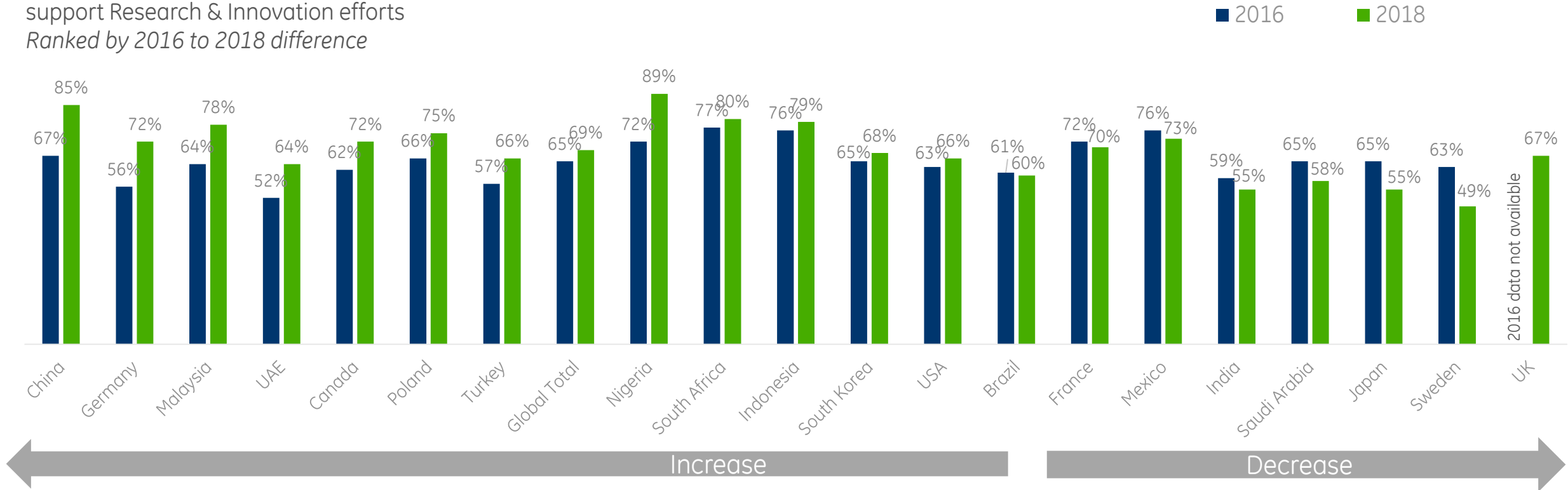
Q24. Now we are going to present different views on the ideal innovation process. For each you will be shown two options. We would like you to pick the one you feel is the truest or the most relevant in driving successful innovation. Sometimes you may feel your opinion sits in the middle, but please try to select the one which you believe is the most critical. [Top 3 Box 8 - 10] Base business executives 2016: 2,748, business executives 2018 2,090

And this reality check is being felt in the majority of countries – notably in China and Germany, among others.

### When innovating, it is best...

To **protect the core business as much as possible**, so it continues to generate the profitability needed to support Research & Innovation efforts

*Ranked by 2016 to 2018 difference*



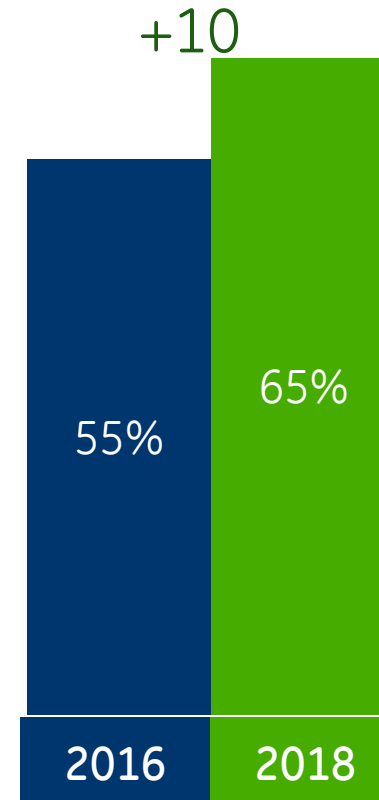
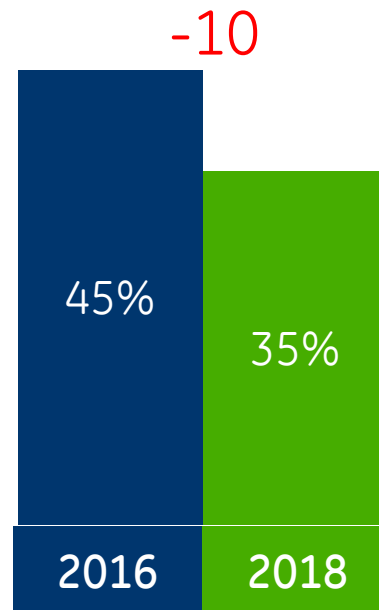
Q24. For each of the following markets, how far would you say that they have developed an Innovation conducive environment? [Top 3 Box 8-10] Base business executives 2016: 2,748, business executives 2018: 2,090 [Full base sizes listed in the appendix]



# In 2018, fully testing new products and solutions before bringing them to market emerges as a preferred strategy, rather than charging ahead with minimum viable products.

When innovating, it is best...  
(19 markets no UK)

To get to market as quickly as possible to keep an edge on competition, even if this means having an imperfect product or service and improving it along the way



To wait to perfect and test the innovation before launch, in order to make sure the customer is completely satisfied from the start



Q24. Now we are going to present different views on the ideal innovation process. For each you will be shown two options. We would like you to pick the one you feel is the truest or the most relevant in driving successful innovation. Sometimes you may feel your opinion sits in the middle, but please try to select the one which you believe is the most critical. [Top 3 Box 8 - 10] Base business executives 2016: 2,748, business executives 2018 2,090

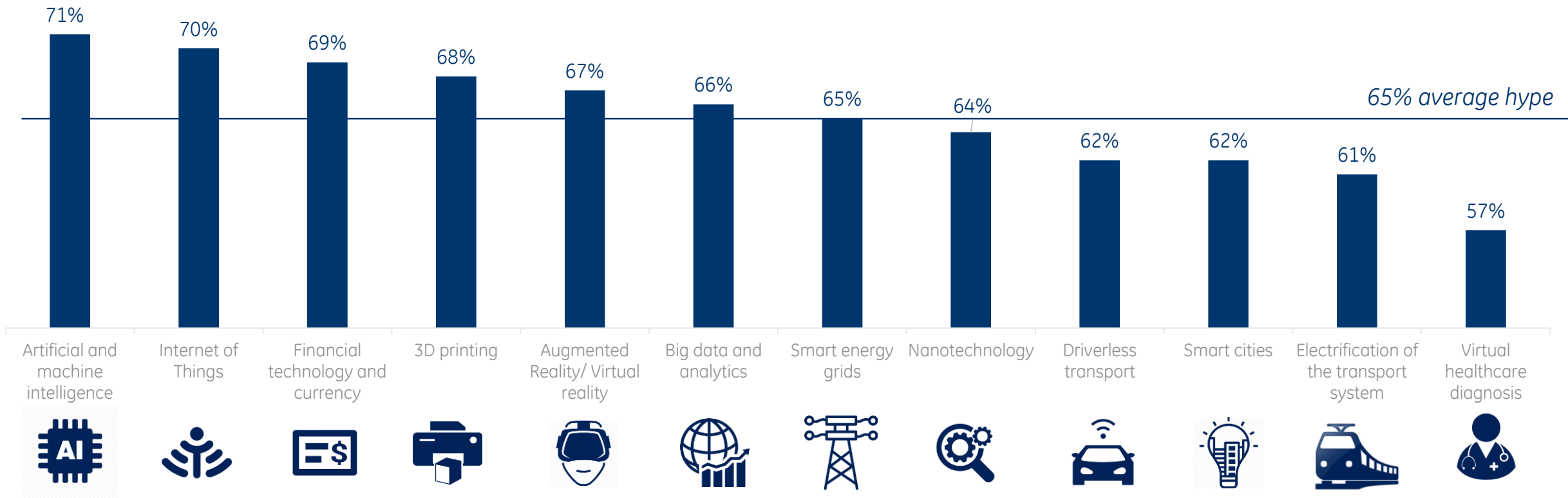
# Hype vs. Reality of Impact

## Executive Summary

- Hype around certain technologies does not always equate to transformative impact. In fact, global executives believe that many under-hyped technologies will have a transformative impact, including energy grids (74% say it will bring transformative change to their country), virtual healthcare (68%) and smart cities (71%).

# The latest wave of innovation hype is comprehensive, spanning a number of disruptive forces, from Artificial Intelligence (AI) to robotics to advanced manufacturing.

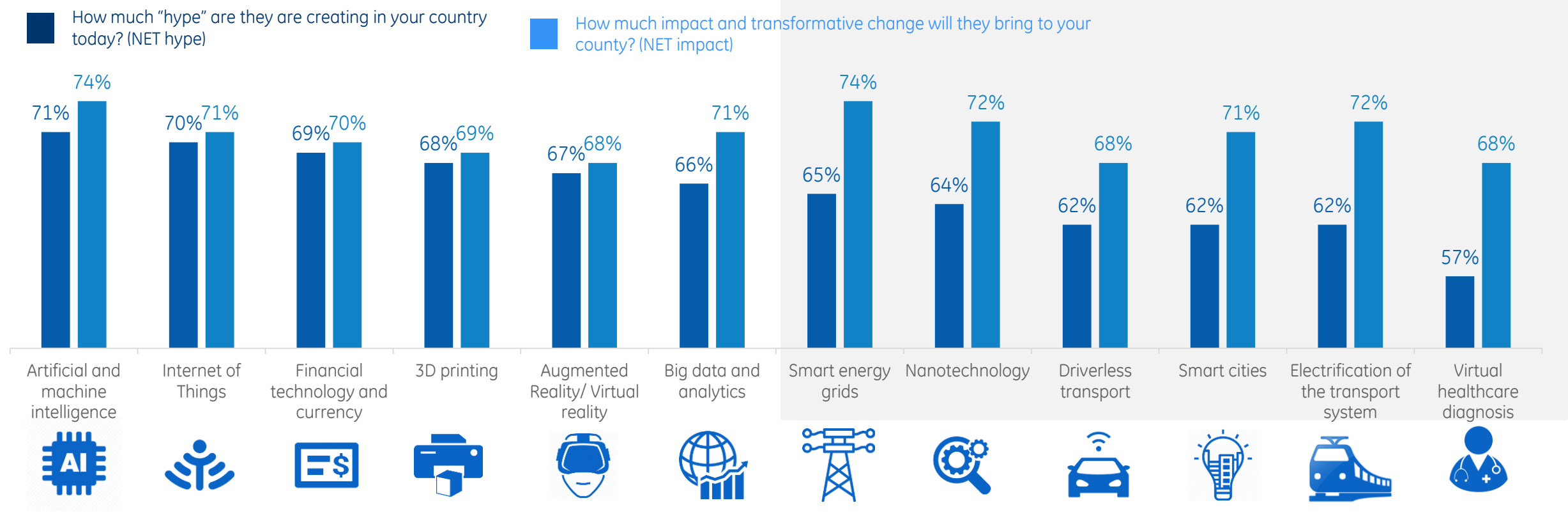
■ How much “hype” are they are creating in your country today? (NET hype)



Q9. When we talk about innovation “hype”, we mean hot topics or trends that are being widely discussed but aren’t necessarily having an impact yet. Out of the innovations listed below, please rate each based on how much “hype” they are creating in your country today. Base Business Executives: 2,090

# The transformative impact of macro innovation still generates excitement from business executives around the world.

In particular, innovations such as AI, IoT and the development of Fintech, produce interest both in terms of hype (being talked about) and actually having impact on their industries and their economies.



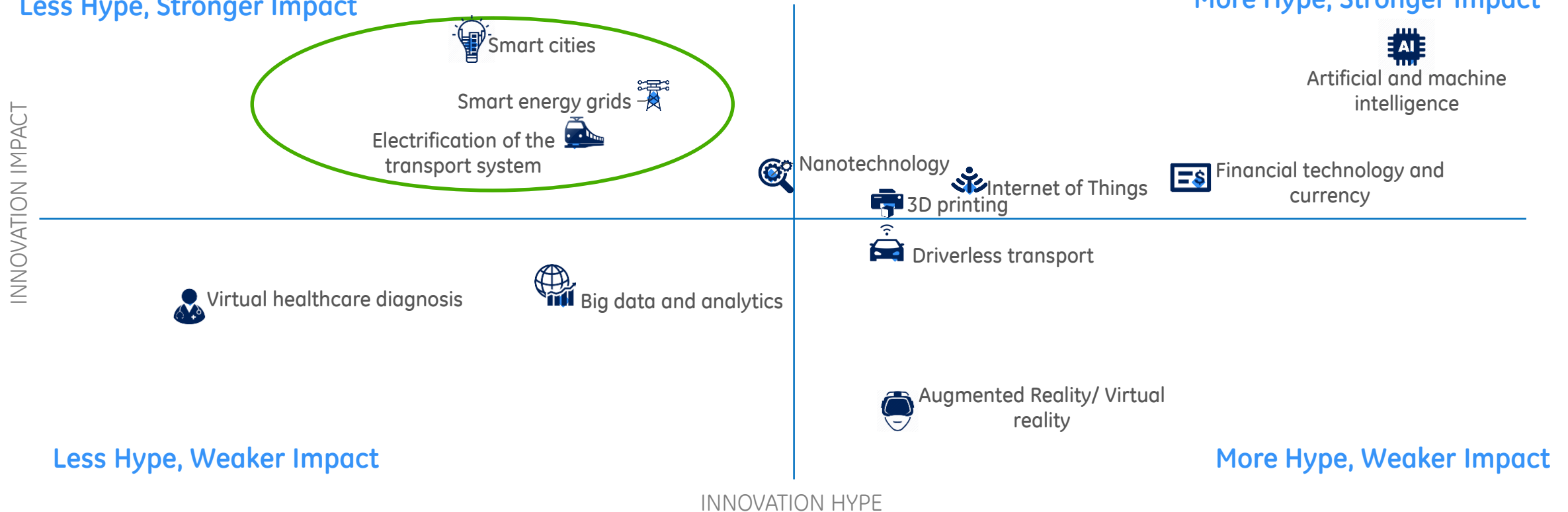
Q9. When we talk about innovation “hype”, we mean hot topics or trends that are being widely discussed but aren’t necessarily having an impact yet. Out of the innovations listed below, please rate each based on how much “hype” they are creating in your country today. Base Business Executives: 2,090. Q10. Next, please rate each of these innovations in terms of how much impact and transformative change they will bring to your country. Base Business Executives: 2,090



This being said, business executives report that transformation in transport, city-planning and infrastructure are “under-hyped” considering the benefits they could bring to their countries.

Less Hype, Stronger Impact

More Hype, Stronger Impact



Q9. When we talk about innovation “hype”, we mean hot topics or trends that are being widely discussed but aren’t necessarily having an impact yet. Out of the innovations listed below, please rate each based on how much “hype” they are creating in your country today. Base Business Executives: 2,090. Q10. Next, please rate each of these innovations in terms of how much impact and transformative change they will bring to your country. Base Business Executives: 2,090

A dark blue background featuring a faint, light blue world map. The map shows the continents and major landmasses, with a slightly textured or grainy appearance. The text is overlaid on this background.

Section Three:

# Emerging Challenges

- Future of Work
- More Challenging Environment

# Future of Work

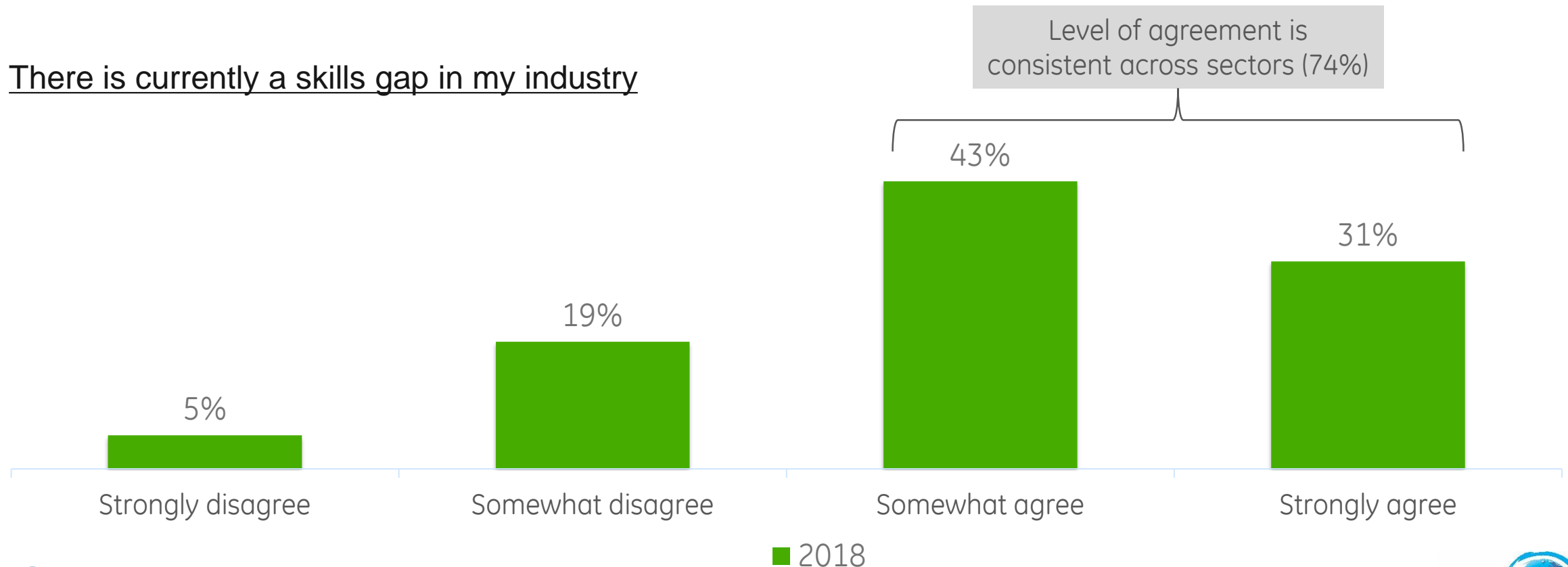
## Executive Summary

- The workforce is considered the most crucial element to innovation success in most markets, yet skills gaps continue to be a top concern among businesses. Nearly 3 in 4 (74%) global executives believe a lack of skills is an issue facing their industry—a challenge that has increased over time (64% say a lack of talent/inadequate skills is a key challenge today, up from 56% in 2014).



The impact of automation and pace of change have led to a real skills gap – 3 in 4 innovation executives believe a lack of skills is an issue their industry is facing.

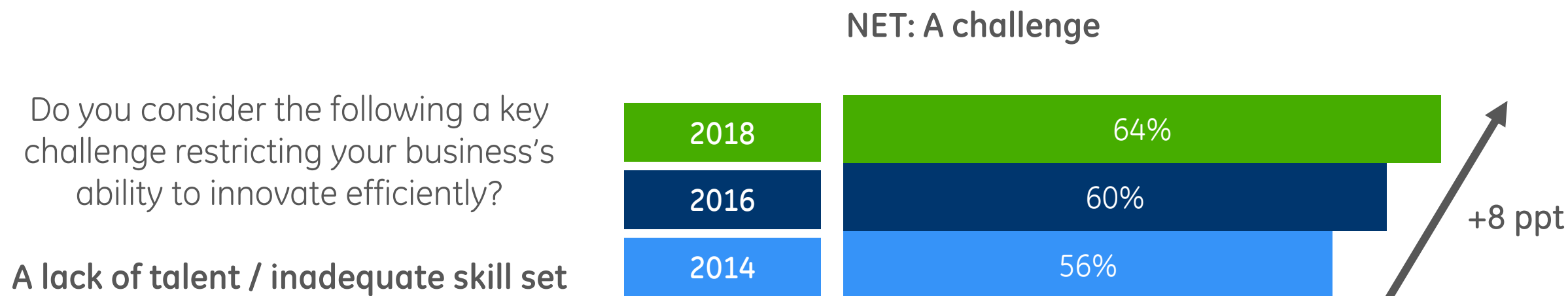
There is currently a skills gap in my industry



Q5B. How much do you agree or disagree with the following statements? There is currently a skills gap in my industry. Base business executives: 2,090



This challenge only seems to be growing for business executives  
- finding the right talent and skill sets is apparently restricting  
business's ability to innovate efficiently.



Q25. Do you consider any of the following as key challenges to be restricting your business's ability to innovate efficiently? Base business executives 2014: 3,309, business executives 2016: 2,748, business executives 2018: 2,090

# More Challenging Environment

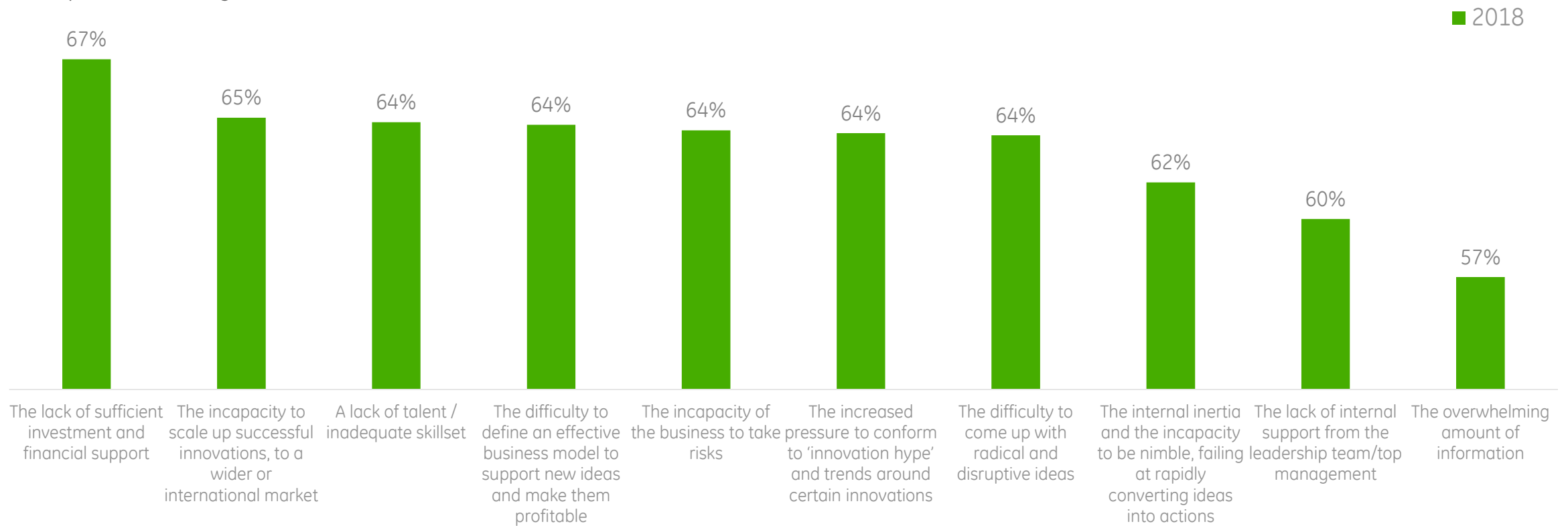
## Executive Summary

- The challenges confronting innovative businesses are tough – and getting tougher – both externally and internally. There is a 13-point increase (now 67%) since 2014 in lack of sufficient funding, a 6-point increase (now 65%) in the inability to scale innovations to a wider market, an 8-point increase (now 64%) in lack of adequate talent/ skillsets, and a 14-point increase (now 64%) in the inability of businesses to take risks.
- Emerging markets such as Poland, South Africa, Malaysia and Saudi Arabia are experiencing the greatest increase in challenges.

# Businesses are struggling to scale up, investment is not available, and it is a challenge to convert ideas into action.

Do you consider any of the following as key challenges restricting your business's ability to innovate efficiently?

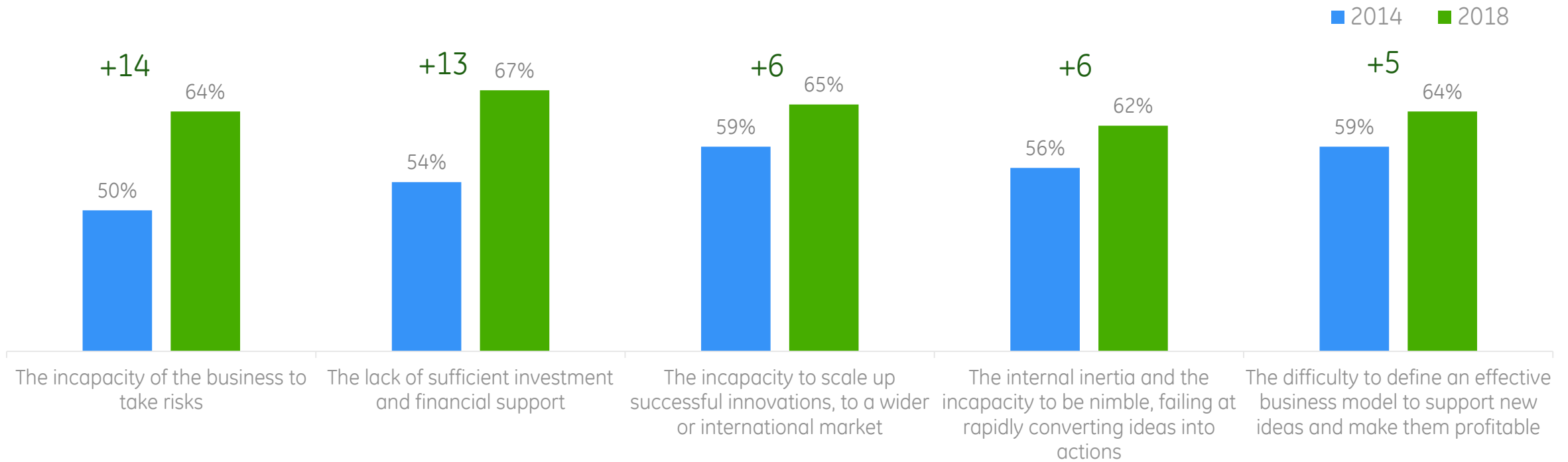
*NET: Top 2 / A Challenge*



Q25. Do you consider any of the following as key challenges to be restricting your business's ability to innovate efficiently? Not a challenge at all (1), not a real challenge (2), a bit of a challenge (3), a critical challenge (4) Base business executives 2018: 2,090

# And these key issues have become even bigger challenges than they were four years ago.

Do you consider any of the following as key challenges restricting your business's ability to innovate efficiently?  
*NET: Top 2 / A Challenge*



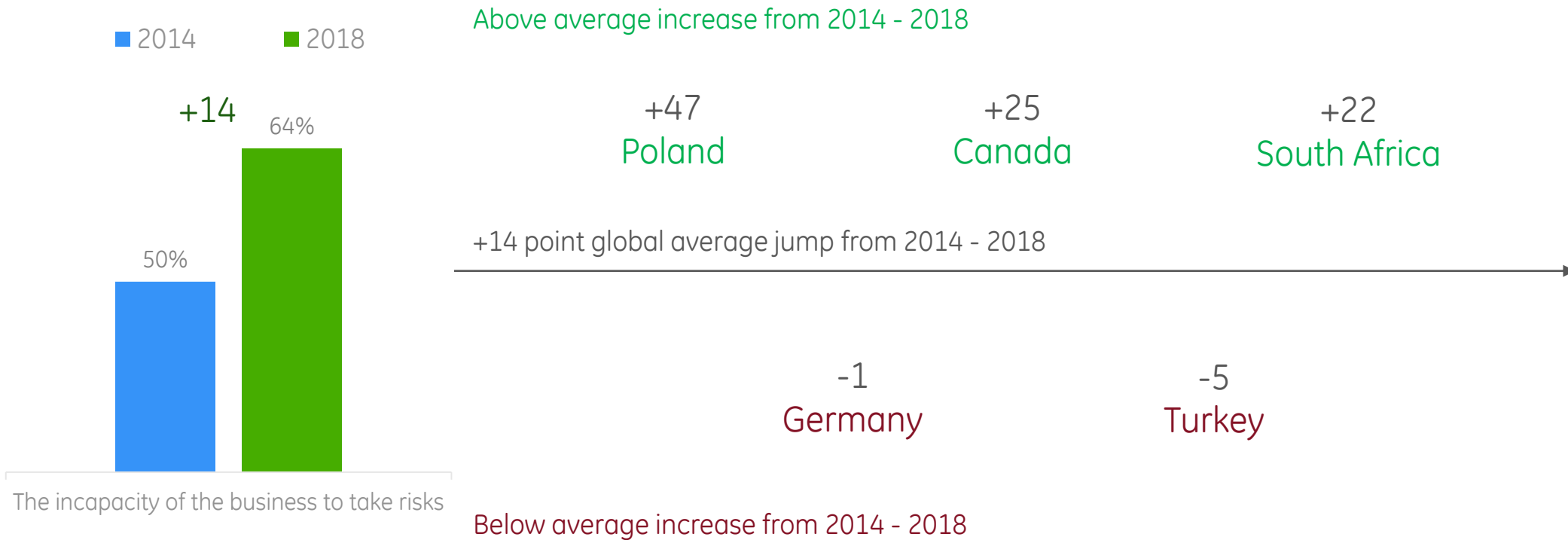
Q25. Do you consider any of the following as key challenges to be restricting your business's ability to innovate efficiently? Not a challenge at all (1), not a real challenge (2), a bit of a challenge (3), a critical challenge (4) Base business executives 2014: 3,309, business executives 2018: 2,090



# Poland, Canada and South Africa are less able to take risks than they were four years ago.

Do you consider any of the following as key challenges restricting your business's ability to innovate efficiently?

NET: Top 2 / A Challenge

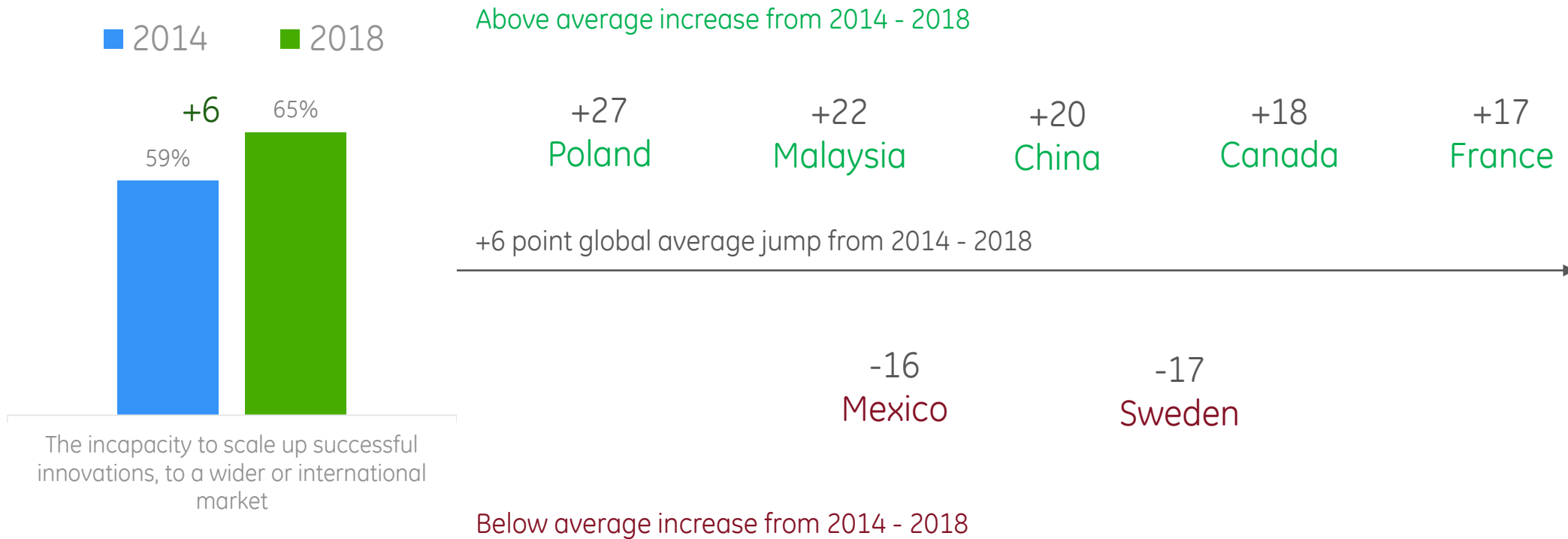


Q25. Do you consider any of the following as key challenges to be restricting your business's ability to innovate efficiently? Not a challenge at all (1), not a real challenge (2), a bit of a challenge (3), a critical challenge (4) Base business executives 2014: 3,309, business executives 2018: 2,090 [Full base sizes listed in the appendix]

# Scaling up innovations is a growing issue across the markets, but Mexico and Sweden are not experiencing this challenge.

Do you consider any of the following as key challenges restricting your business's ability to innovate efficiently?

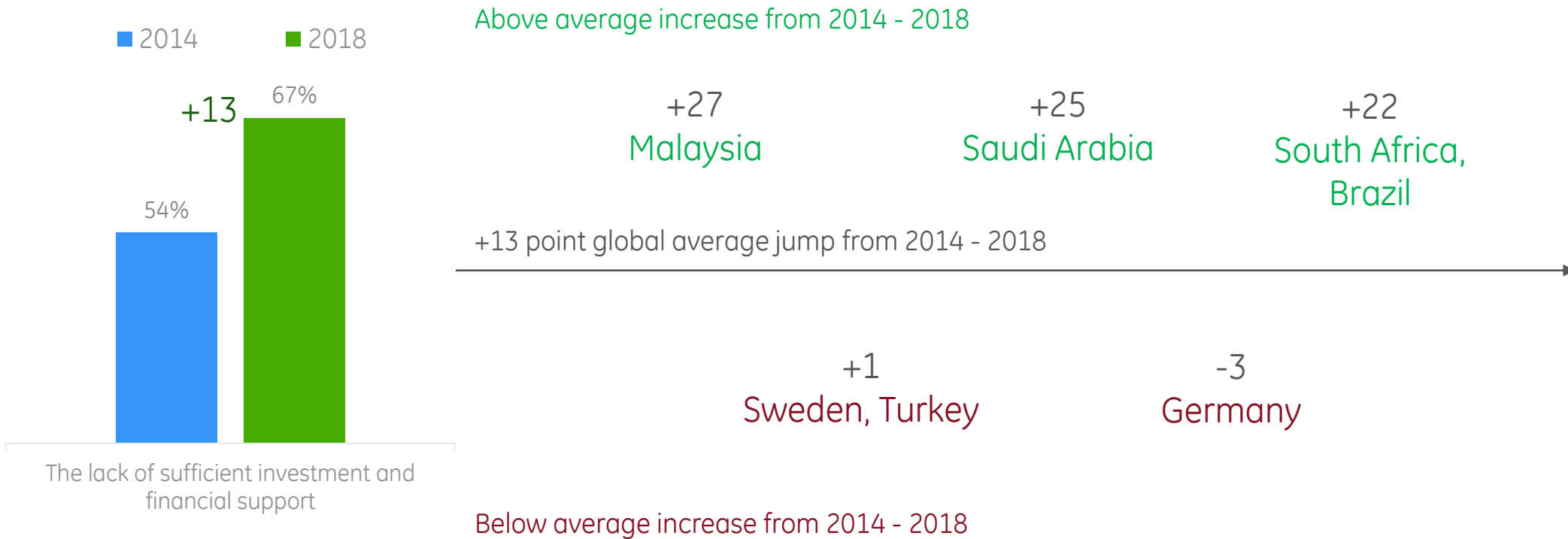
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Q25. Do you consider any of the following as key challenges to be restricting your business's ability to innovate efficiently? Not a challenge at all (1), not a real challenge (2), a bit of a challenge (3), a critical challenge (4) Base business executives 2014: 3,309, business executives 2018: 2,090 [Full base sizes listed in the appendix]

# Emerging economies are more likely to lack sufficient investment and financial support than in 2014.

Do you consider any of the following as key challenges restricting your business's ability to innovate efficiently?  
*NET: Top 2 / A Challenge*



Q25. Do you consider any of the following as key challenges to be restricting your business's ability to innovate efficiently? Not a challenge at all (1), not a real challenge (2), a bit of a challenge (3), a critical challenge (4) Base business executives 2014: 3,309, business executives 2018: 2,090 [Full base sizes listed in the appendix]

# Thank you

# Historical data tracking

Historical data has been used from 2013, 2014, 2016 and this year's 2018 data.

The only question that is comparable across all four years is Q1 - Innovation Champions.

- To compare scoring from previous years we have reweighted the previous total scores, so that countries that are not included in this year's GE GIB are removed, and therefore we include the 20 countries that were surveyed this year. This ensures all data is directly comparable.
  - The UK was not included in GE GIB 2016, so an average score from 2018 data and from 2014 was created to act as a proxy.
  - In 2013, France was not included, so a proxy from looking at 2014 and 2016 data has been used.
  - In 2016, Nigeria was not included, so an average score from 2018 data and from 2014 was created to act as a proxy.

This method (of reweighting the total scores and creating proxies) has been used consistently across all questions where we have compared historical data.

Where tracking questions have been used for only 2016 and 2018 (because these questions were not tracked in 2013 or 2014), data for these questions is based on a 19 market total only as no proxy could be created for the UK in 2016.