

The Community Innovation Survey 2012

THE HARMONISED SURVEY QUESTIONNAIRE, JULY 23, 2012

The Community Innovation Survey 2012

FINAL VERSION July 23, 2012 (v15)

This survey collects information on your enterprise's innovations and innovation activities during the three years 2010 to 2012 inclusive.

An innovation is the introduction of a new or significantly improved product, process, organisational method, or marketing method by your enterprise.

An innovation must have characteristics or intended uses that are new or which provide a significant improvement over what was previously used or sold by your enterprise. However, an innovation can fail or take time to prove itself.

An innovation need only be new or significantly improved for your enterprise. It could have been originally developed or used by other enterprises.

Sections 2 to 7 only refer to product and process innovations. Organisational and marketing innovations are covered in sections 8 and 9.

Please complete **all** questions, unless otherwise instructed.

Person we should contact if there are any queries regarding the form:

Name: _____

Job title: _____

Organisation: _____

Phone: _____

Fax: _____

E-mail: _____

1. General information about the enterprise

Name of enterprise _____

Address _____

Postal code _____ Main activity _____

1.1 In 2012, was your enterprise part of an enterprise group? (A group consists of two or more legally defined enterprises under common ownership. Each enterprise in the group can serve different markets, as with national or regional subsidiaries, or serve different product markets. The head office is also part of an enterprise group.)

Yes ☐ In which country is the head office of your group located? _____

No ☐

If your enterprise is part of an enterprise group: Please answer all further questions about your enterprise only for the enterprise for which you are responsible in Cyprus. Exclude all subsidiaries or parent enterprises.

1.2 During the three years 2010 to 2012 did your enterprise:

	Yes	No
Merge with or take over another enterprise	<input type="checkbox"/>	<input type="checkbox"/>
Sell, close or outsource some of the tasks or functions of your enterprise	<input type="checkbox"/>	<input type="checkbox"/>
Establish new subsidiaries in [your country] or in other European countries*	<input type="checkbox"/>	<input type="checkbox"/>
Establish new subsidiaries outside Europe	<input type="checkbox"/>	<input type="checkbox"/>

1.3 In which geographic markets did your enterprise sell goods and/or services during the three years 2010 to 2012?

	Yes	No
A. Local / regional within [your country]	<input type="checkbox"/>	<input type="checkbox"/>
B. National (other regions of [your country])	<input type="checkbox"/>	<input type="checkbox"/>
C. Other European Union or associated countries*	<input type="checkbox"/>	<input type="checkbox"/>
D. All other countries	<input type="checkbox"/>	<input type="checkbox"/>

Which of these geographic areas was your largest market in terms of turnover during the three years 2010 to 2012? (Give corresponding letter) _____

*: Include the following European Union (EU) and associated countries: Albania, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Ireland, Kosovo, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Montenegro, the Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovenia, Slovakia, Switzerland, Turkey, Spain, Sweden and the United Kingdom.

2. Product (good or service) innovation

A product innovation is the market introduction of a **new** or **significantly** improved **good or service** with respect to its capabilities, user friendliness, components or sub-systems.

- Product innovations (new or improved) **must be new to your enterprise**, but they **do not need to be new to your market**.
- Product innovations could have been originally developed by your enterprise or by other enterprises or institutions.

A **good** is usually a tangible object such as a smartphone, furniture, or packaged software, but downloadable software, music and film are also goods. A **service** is usually intangible, such as retailing, insurance, educational courses, air travel, consulting, etc.

2.1 During the three years 2010 to 2012, did your enterprise introduce:

	Yes	No
Goods innovations: New or significantly improved goods (exclude the simple resale of new goods and changes of a solely aesthetic nature)	<input type="checkbox"/>	<input type="checkbox"/>
Service innovations: New or significantly improved services	<input type="checkbox"/>	<input type="checkbox"/>

If no to all options, go to section 3
Otherwise go to question 2.2

2.2 Who developed these product innovations?

	<i>Tick all that apply</i>	
	Goods innovations	Service innovations
Your enterprise by itself	<input type="checkbox"/>	<input type="checkbox"/>
Your enterprise together with other enterprises or institutions*	<input type="checkbox"/>	<input type="checkbox"/>
Your enterprise by adapting or modifying goods or services originally developed by other enterprises or institutions*	<input type="checkbox"/>	<input type="checkbox"/>
Other enterprises or institutions*	<input type="checkbox"/>	<input type="checkbox"/>

**: Include independent enterprises plus other parts of your enterprise group (subsidiaries, sister enterprises, head office, etc.).
Institutions include universities, research institutes, non-profits, etc.*

2.3 Were any of your product innovations (goods or services) during the three years 2010 to 2012:

		Yes	No
New to your market?	Your enterprise introduced a new or significantly improved product onto your market before your competitors (it may have already been available in other markets)	<input type="checkbox"/>	<input type="checkbox"/>
Only new to your firm?	Your enterprise introduced a new or significantly improved product that was already available from your competitors in your market	<input type="checkbox"/>	<input type="checkbox"/>

Using the definitions above, please give the percentage of your total turnover¹ in 2012 from:

New or significantly improved products introduced during the three years 2010 to 2012 that were new to your market	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
New or significantly improved products introduced during the three years 2010 to 2012 that were only new to your firm	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
Products that were unchanged or only marginally modified during the three years 2010 to 2012 (include the resale of new products purchased from other enterprises)	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
Total turnover in 2012	1	0	0	%

2.4 To the best of your knowledge, were any of your product innovations during the three years 2010 to 2012:

	Yes	No	Don't know
A first in Cyprus	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A first in Europe*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A world first	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*: Include the following European Union (EU) and associated countries: Albania, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Ireland, Kosovo, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Montenegro, the Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovenia, Slovakia, Switzerland, Turkey, Spain, Sweden and the United Kingdom.

If no world-first product innovations go to Section 3, otherwise go to question 2.5

2.5 What percent of your total turnover in 2012 was from world first product innovations introduced between 2010 and 2012? (This should be a subset of your new-to-market turnover share in question 2.3 above)

0% to less than 1%	<input type="checkbox"/>
1% to less than 5%	<input type="checkbox"/>
5% to less than 10%	<input type="checkbox"/>
10% to less than 25%	<input type="checkbox"/>
25% or more	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

¹ For Credit institutions: Interests receivable and similar income, for insurance services: Gross premiums written

3. Process innovation

A process innovation is the implementation of a **new** or **significantly** improved production process, distribution method, or supporting activity.

- Process innovations **must be new to your enterprise**, but they **do not need to be new to your market**.
- The innovation could have been originally developed by your enterprise or by other enterprises or institutions.
- Exclude purely organisational innovations – these are covered in section 8.

3.1 During the three years 2010 to 2012, did your enterprise introduce?

	Yes	No
New or significantly improved methods of manufacturing or producing goods or services	<input type="checkbox"/>	<input type="checkbox"/>
New or significantly improved logistics, delivery or distribution methods for your inputs, goods or services	<input type="checkbox"/>	<input type="checkbox"/>
New or significantly improved supporting activities for your processes, such as maintenance systems or operations for purchasing, accounting, or computing	<input type="checkbox"/>	<input type="checkbox"/>

If no to all options, go to section 4
Otherwise go to question 3.2

3.2 Who developed these process innovations?

	<i>Tick all that apply</i>
Your enterprise by itself	<input type="checkbox"/>
Your enterprise together with other enterprises or institutions*	<input type="checkbox"/>
Your enterprise by adapting or modifying processes originally developed by other enterprises or institutions*	<input type="checkbox"/>
Other enterprises or institutions*	<input type="checkbox"/>

**: Include independent enterprises plus other parts of your enterprise group (subsidiaries, sister enterprises, head office, etc.).
Institutions include universities, research institutes, non-profits, etc.*

3.3 Were any of your process innovations introduced during the three years 2010 to 2012 new to your market?

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Do not know	<input type="checkbox"/>

4. Ongoing or abandoned innovation activities for product and process innovations

Innovation activities include the acquisition of machinery, equipment, buildings, software, and licenses; engineering and development work, design, training, and marketing when they are specifically undertaken to develop and/or implement a product or process innovation. Also include all types of R&D activities.

4.1 During the three years 2010 to 2012, did your enterprise have any innovation activities that did not result in a product or process innovation because the activities were:

	Yes	No
Abandoned or suspended before completion	<input type="checkbox"/>	<input type="checkbox"/>
Still on-going at the end of the 2012	<input type="checkbox"/>	<input type="checkbox"/>

If your enterprise had no product or process innovations or innovation activity during the three years 2010 to 2012 (no to all options in questions 2.1, 3.1, and 4.1), go to section 8

Otherwise, go to section 5

5. Activities and expenditures for product and process innovations

5.1 During the three years 2010 to 2012, did your enterprise engage in the following innovation activities:

		Yes	No
In-house R&D	Research and development activities undertaken by your enterprise to create new knowledge or to solve scientific or technical problems (include software development in-house that meets this requirement)	<input type="checkbox"/>	<input type="checkbox"/>
	If yes, did your enterprise perform R&D during the three years 2010 to 2012:		
	Continuously (your enterprise has permanent R&D staff in-house)	<input type="checkbox"/>	
	Occasionally (as needed only)	<input type="checkbox"/>	
External R&D	R&D that your enterprise has contracted out to other enterprises (including other enterprises in your group) or to public or private research organisations	<input type="checkbox"/>	<input type="checkbox"/>
Acquisition of machinery, equipment, software & buildings	Acquisition of advanced machinery, equipment, software and buildings to be used for new or significantly improved products or processes	<input type="checkbox"/>	<input type="checkbox"/>
Acquisition of existing knowledge from other enterprises or organisations	Acquisition of existing know-how, copyrighted works, patented and non-patented inventions, etc. from other enterprises or organisations for the development of new or significantly improved products and processes	<input type="checkbox"/>	<input type="checkbox"/>
Training for innovative activities	In-house or contracted out training for your personnel specifically for the development and/or introduction of new or significantly improved products and processes	<input type="checkbox"/>	<input type="checkbox"/>
Market introduction of innovations	In-house or contracted out activities for the market introduction of your new or significantly improved goods or services, including market research and launch advertising	<input type="checkbox"/>	<input type="checkbox"/>
Design	In-house or contracted out activities to design or alter the shape or appearance of goods or services	<input type="checkbox"/>	<input type="checkbox"/>
Other	Other in-house or contracted out activities to implement new or significantly improved products and processes such as feasibility studies, testing, tooling up, industrial engineering, etc.	<input type="checkbox"/>	<input type="checkbox"/>

5.2 How much did your enterprise spend on each of the following innovation activities in 2012 only? Innovation activities are defined in question 5.1 above. Include current expenditures (including labour costs, contracted-out activities, and other related costs) as well as capital expenditures on buildings and equipment.²

Please fill in '0' if your enterprise had no expenditures for an activity in 2012

With a lack of precise accounting data please use estimates

In-house R&D (Include current expenditures including labour costs and capital expenditures on buildings and equipment specifically for R&D)

--	--	--	--	--	--	--	--	--	--

External R&D

--	--	--	--	--	--	--	--	--	--

Acquisition of machinery, equipment, software & buildings
(Exclude expenditures on these items that are for R&D)

--	--	--	--	--	--	--	--	--	--

Acquisition of existing knowledge from other enterprises or organisations

--	--	--	--	--	--	--	--	--	--

All other innovation activities including design, training, marketing, and other relevant activities

--	--	--	--	--	--	--	--	--	--

Total expenditures on innovation activities (Sum of expenditures for all types of innovation activities)

--	--	--	--	--	--	--	--	--	--

5.3 During the three years 2010 to 2012, did your enterprise receive any public financial support for innovation activities from the following levels of government? Include financial support via tax credits or deductions, grants, subsidised loans, and loan guarantees. Exclude research and other innovation activities conducted entirely for the public sector* under contract.

	Yes	No
Local or regional authorities	<input type="checkbox"/>	<input type="checkbox"/>
Central government (including central government agencies or ministries)	<input type="checkbox"/>	<input type="checkbox"/>
The European Union (EU)	<input type="checkbox"/>	<input type="checkbox"/>
If yes, did your enterprise participate in the EU 7 th Framework Programme for Research and Technical Development?	<input type="checkbox"/>	<input type="checkbox"/>

*The public sector includes government owned organisations such as local, regional and national administrations and agencies, schools, hospitals, and government providers of services such as security, transport, housing, energy, etc.

² Give expenditure data in 000's of Euro.

6. Sources of information and co-operation for product and process innovation

6.1 During the three years 2010 to 2012, how important to your enterprise's innovation activities were each of the following information sources? Include information sources that provided information for new innovation projects or contributed to the completion of existing projects.

		Degree of importance			
		<i>Tick 'not used' if no information was obtained from a source.</i>			
	Information source	High	Medium	Low	Not used
Internal	Within your enterprise or enterprise group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Suppliers of equipment, materials, components, or software	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Clients or customers from the private sector	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market sources	Clients or customers from the public sector*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Competitors or other enterprises in your industry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Consultants and commercial labs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Education & research institutes	Universities or other higher education institutions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Government, public or private research institutes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other sources	Conferences, trade fairs, exhibitions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Scientific journals and trade/technical publications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Professional and industry associations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6.2 During the three years 2010 to 2012, did your enterprise co-operate on any of your innovation activities with other enterprises or institutions? Innovation co-operation is active participation with other enterprises or institutions on innovation activities. Both partners do not need to commercially benefit. Exclude pure contracting out of work with no active co-operation.

Yes ☐
 No ☐ (Please go to question 7.1)

6.3 Please indicate the type of innovation co-operation partner by location

(Tick all that apply)

Type of co-operation partner	Cyprus	Other Europe**	United States	China or India	All other countries
A. Other enterprises within your enterprise group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. Suppliers of equipment, materials, components, or software	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. Clients or customers from the private sector	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. Clients or customers from the public sector*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. Competitors or other enterprises in your sector	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F. Consultants and commercial labs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G. Universities or other higher education institutions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Government, public or private research institutes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6.4 Which type of co-operation partner did you find the most valuable for your enterprise's innovation activities? (Give corresponding letter) _____

*The public sector includes government owned organisations such as local, regional and national administrations and agencies, schools, hospitals, and government providers of services such as security, transport, housing, energy, etc.

** Include the following European Union (EU) and associated countries: Albania, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Ireland, Kosovo, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Montenegro, the Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovenia, Slovakia, Switzerland, Turkey, Spain, Sweden and the United Kingdom.

7. Competitiveness of your enterprise's product and process innovations

7.1 How effective were the following methods for maintaining or increasing the competitiveness of product and process innovations introduced during 2010 to 2012?

	Degree of effectiveness			
	High	Medium	Low	Not used
Patents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Design registration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Copyright	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trademarks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lead time advantages	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Complexity of goods or services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Secrecy (include non-disclosure agreements)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. Organisational Innovation

An organisational innovation is a new organisational method in your enterprise's business practices (including knowledge management), workplace organisation or external relations that has not been previously used by your enterprise.

- It must be the result of strategic decisions taken by management.
- Exclude mergers or acquisitions, even if for the first time.

8.1 During the three years 2010 to 2012, did your enterprise introduce:

	Yes	No
New business practices for organising procedures (i.e. supply chain management, business re-engineering, knowledge management, lean production, quality management, etc.)	<input type="checkbox"/>	<input type="checkbox"/>
New methods of organising work responsibilities and decision making (i.e. first use of a new system of employee responsibilities, team work, decentralisation, integration or de-integration of departments, education/training systems, etc.)	<input type="checkbox"/>	<input type="checkbox"/>
New methods of organising external relations with other firms or public institutions (i.e. first use of alliances, partnerships, outsourcing or sub-contracting, etc.)	<input type="checkbox"/>	<input type="checkbox"/>

9. Marketing innovation

A marketing innovation is the implementation of a new marketing concept or strategy that differs significantly from your enterprise's existing marketing methods and which has not been used before.

- It requires significant changes in product design or packaging, product placement, product promotion or pricing.
- Exclude seasonal, regular and other routine changes in marketing methods.

9.1 During the three years 2010 to 2012, did your enterprise introduce:

	Yes	No
Significant changes to the aesthetic design or packaging of a good or service (<i>exclude changes that alter the product's functional or user characteristics – these are product innovations</i>)	<input type="checkbox"/>	<input type="checkbox"/>
New media or techniques for product promotion (<i>i.e. the first time use of a new advertising media, a new brand image, introduction of loyalty cards, etc.</i>)	<input type="checkbox"/>	<input type="checkbox"/>
New methods for product placement or sales channels (<i>i.e. first time use of franchising or distribution licenses, direct selling, exclusive retailing, new concepts for product presentation, etc.</i>)	<input type="checkbox"/>	<input type="checkbox"/>
New methods of pricing goods or services (<i>i.e. first time use of variable pricing by demand, discount systems, etc.</i>)	<input type="checkbox"/>	<input type="checkbox"/>

10. Public sector procurement and innovation

10.1 During the three years 2010 to 2012, did your enterprise have any procurement contracts to provide goods or services for:

	Yes	No
Domestic public sector organisations*	<input type="checkbox"/>	<input type="checkbox"/>
Foreign public sector organisations*	<input type="checkbox"/>	<input type="checkbox"/>

*The public sector includes government owned organisations such as local, regional and national administrations and agencies, schools, hospitals, and government providers of services such as security, transport, housing, energy, etc.

If no to both options go to section 11

Otherwise go to question 10.2

10.2 Did your enterprise undertake any innovation activities as part of a procurement contract to provide goods or services to a public sector organisation? (*Include activities for product, process, organisational and marketing innovations*)

(*If your enterprise had several procurement contracts, tick all that apply*)

- | | |
|--|--------------------------|
| Yes and innovation required as part of the contract | <input type="checkbox"/> |
| Yes but innovation <i>not</i> required as part of the contract | <input type="checkbox"/> |
| No | <input type="checkbox"/> |

11. Strategies and obstacles for reaching your enterprise's goals

11.1 During the three years 2010 to 2012, how important were each of the following goals for your enterprise? (It does not matter if your enterprise was able to attain these goals)

	Degree of Importance			
	High	Medium	Low	Not relevant
Increase turnover	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase market share	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decrease costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase profit margins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11.2 During 2010 to 2012, how important were each of the following strategies for reaching your enterprise's goals?

	Degree of Importance			
	High	Medium	Low	Not relevant
Developing new markets within Europe*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Developing new markets outside Europe*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reducing in-house costs of operation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reducing costs of purchased materials, components or services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Introducing new or significantly improved goods or services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Intensifying or improving the marketing of goods or services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increasing flexibility / responsiveness of your organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Building alliances with other enterprises or institutions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11.3 During 2010 to 2012, how important were the following factors as obstacles to meeting your enterprise's goals?

	Degree of Importance			
	High	Medium	Low	Not relevant
Strong price competition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Strong competition on product quality, reputation or brand	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of demand	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Innovations by competitors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dominant market share held by competitors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of qualified personnel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of adequate finance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
High cost of access to new markets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
High cost of meeting government regulations or legal requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*: Include the following European Union (EU) and associated countries: Albania, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Ireland, Kosovo, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Montenegro, the Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovenia, Slovakia, Switzerland, Turkey, Spain, Sweden and the United Kingdom.

12. Basic economic information on your enterprise

12.1 What was your enterprise's total turnover for 2010 and 2012?³ Turnover is defined as the market sales of goods and services (Include all taxes except VAT⁴)

2010								2012							

12.2 What was your enterprise's average number of employees in 2010 and 2012?⁵

2010						2012					

12.3 Approximately what percent of your enterprise's employees in 2012 had a tertiary degree?⁶

- 0% ☐
- 1% to 4% ☐
- 5% to 9% ☐
- 10% to 24% ☐
- 25% to 49% ☐
- 50% to 74% ☐
- 75% to 100% ☐

³ Give turnover in '000 of Euro.

⁴ For Credit institutions: Interests receivable and similar income; for Insurance services give gross premiums written.

⁵ If administrative data are used and the annual average is not available, give results for the end of each year.

⁶ ISCED 2011 levels 5 to 8.

Examples of Innovations

Introduction

This annex provides a list of examples for each type of innovation. These lists are intended as illustrations and should not by any means be considered exhaustive. They are intended to give survey practitioners a better understanding of each innovation type, but they are not designed to be shown to enterprises as examples of innovations. There are two reasons for this. First, their inclusion might bias firms into excluding innovations that are not on the list. Second, the list is dated, with many innovations impossible to foresee. It is also worthwhile emphasising that two central criteria for innovations are that they represent significant changes and that they are new to the firm. Thus, a change can be an innovation for one firm and not for another. Often, more detailed descriptions are needed to determine whether a change is to be classified as an innovation and of which type.

Examples of innovations

A product innovation is the introduction of a good or service that is new or significantly improved with respect to its characteristics or intended uses. This includes significant improvements in technical specifications, components and materials, incorporated software, user friendliness or other functional characteristics.

Product innovations exclude the following:

- Minor changes or improvements.
- Routine upgrades.
- Regular seasonal changes (such as for clothing lines).
- Customisation for a single client that does not include significantly different attributes compared to products made for other clients.

-
- Design changes that do not alter the function, intended use or technical characteristics of a good or service.
 - The simple resale of new goods and services purchased from other enterprises.

Examples of product innovations:

Goods

- Replacing inputs with materials with improved characteristics (breathable textiles, light but strong composites, environmentally friendly plastics, etc.).
- Global positioning systems (GPS) in transport equipment.
- Cameras in mobile telephones.
- Fastening systems in clothing.
- Household appliances that incorporate software that improves user friendliness or convenience, such as toasters that automatically shut off when the bread is toasted.
- Anti-fraud software that profiles and tracks individual financial transactions.
- Inbuilt wireless networking in laptops.
- Food products with new functional characteristics (margarine that reduces blood cholesterol levels, yoghurts produced using new types of cultures, etc.).
- Products with significantly reduced energy consumption (energy efficient refrigerators, etc.).
- Significant changes in products to meet environmental standards.
- Programmable radiators or thermostats.
- IP (Internet protocol) telephones.
- New medicine with significantly improved effects.

Services

- New services that significantly improve customers' access to goods or services, such as home pick-up and drop-off service for rental cars.
- DVD subscription service where for a monthly fee customers can order a predefined number of DVDs via the Internet with mail delivery to the home, with return via a pre-addressed envelope.
- Video on demand via broadband Internet.
- Internet services such as banking, or bill payment systems.

-
- New forms of warranty, such as an extended warranty on new or used goods, or bundling warranties with other services, such as with credit cards, bank accounts or customer loyalty cards.
 - New types of loans, for example variable rate loans with a fixed rate ceiling.
 - Creation of Web sites on the Internet, where new services such as product information and various support functions can be offered to clients free of charge.
 - The introduction of smart cards and multipurpose plastic cards.
 - A new, self-service bank office.
 - Offering customers a new “supply control system” which allows clients to check that deliveries from contractors meet specifications.

A **process innovation** is the implementation of a new or significantly improved production or delivery method. This includes significant changes in techniques, equipment and/or software.

Process innovations exclude the following:

- Minor changes or improvements.
- An increase in production or service capabilities through the addition of manufacturing or logistical systems which are very similar to those already in use.

Examples of process innovations:

Production

- Installation of new or improved manufacturing technology, such as automation equipment or real-time sensors that can adjust processes.
- New equipment required for new or improved products.
- Laser cutting tools.
- Automated packaging.
- Computer-assisted product development.
- Digitisation of printing processes.
- Computerised equipment for quality control of production.
- Improved testing equipment for monitoring production.

Delivery and operations

- Portable scanners/computers for registering goods and inventory.
- Introduction of bar coding or passive radio frequency identification (RFID) chips to track materials through the supply chain.
- GPS tracking systems for transport equipment.
- Introduction of software to identify optimal delivery routes.

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- New or improved software or routines for purchasing, accounting or maintenance systems.
 - Introduction of electronic clearing systems.
 - Introduction of automated voice-response system.
 - Introduction of electronic ticketing system.
 - New software tools designed to improve supply flows.
 - New or significantly improved computer networks.

A **marketing innovation** is the implementation of a new marketing method involving significant changes in product design or packaging, product placement, product promotion or pricing.

Marketing innovations exclude the following:

- Changes in product design or packaging, product placement, product promotion or pricing that are based on marketing methods that have previously been used by the enterprise.
- Seasonal, regular and other routine changes in marketing instruments.
- The use of already applied marketing methods to target a new geographical market or a new market segment (*e.g.* socio-demographic group of clients).

Examples of marketing innovations:

- Marketing innovations can refer to any marketing method (product design/ packaging, placement, pricing, promotion) as long as it is used for the first time by the firm.

Design and packaging

- Implementation of a significant change in the design of a furniture line to give it a new look and widen its appeal.
- Implementation of a fundamentally new design of bottles for a body lotion intended to give the product a distinctively exclusive look.

Placement (sales channels)

- First-time introduction of product licensing.
- First-time introduction of direct selling or exclusive retailing.
- Implementation of a new concept for product presentation such as sales rooms for furniture that are designed according to themes, allowing customers to view products in fully decorated rooms.
- Implementation of a personalised information system, *e.g.* obtained from loyalty cards, to tailor the presentation of products to the specific needs of individual customers.

Pricing

- Introduction of a new method that allows customers to choose desired product specifications on the firm's Web site and then see the price for the specified product.
- First-time use of a method for varying the price of a good or service according to demand for it.
- First-time use of in-store special offers that are only accessible to holders of the store's credit card or reward card.

Promotion

- First-time use of trademarks.
- First-time use of product placement in movies or television programmes.
- Introduction of a fundamentally new brand symbol intended to position the firm's product on a new market.
- First-time use of product seeding through opinion leaders, celebrities or particular groups that are fashion or product trend setters.

An **organisational innovation** is the implementation of a new organisational method in the firm's business practices, workplace organisation or external relations.

Organisational innovations exclude the following:

- Changes in business practices, workplace organisation or external relations that are based on organisational methods already in use in the firm
- Changes in management strategy, unless accompanied by the introduction of a new organisational method
- Mergers with, and the acquisition of other firms

Examples of organisational innovations:

- Organisational innovations can refer to any organisational method in a firm's business practices, workplace organisation or external relations as long as it is used for the first time by the firm.

Business practices

- Establishing of a new database of best practices, lessons and other knowledge so that they are more easily accessible to others.
- First-time introduction of an integrated monitoring system for firm activities (production, finance, strategy, marketing).
- First-time introduction of management systems for general production or supply operations, such as supply chain management, business re-engineering, lean production, quality management system.

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- First-time introduction of training programmes to create efficient and functional teams that integrate staff from different backgrounds or areas of responsibility.

Workplace organisation

- First-time implementation of decentralised job responsibility for the firm's workers, such as giving substantially more control and responsibility over work processes to production, distribution or sales staff.
- First-time establishment of formal or informal work teams to improve the access and sharing of knowledge from different departments, such as marketing, research and production.
- First-time implementation of an anonymous incident reporting system to encourage the reporting of errors or hazards in order to identify their causes and reduce their frequency.

External relations

- First-time introduction of quality control standards for suppliers and subcontractors.
- First-time use of outsourcing of research or production.
- First-time entering into research collaboration with universities or other research organisations.