



# The Deloitte Innovation Survey 2015

<http://www.deloitte.com/lu/innovationsurvey2015>



# Preface

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### Key findings

### Defining innovation

### Implementing innovation

### Involving customers in the innovation process

### How corporates and spin-offs or start-ups collaborate in innovation?

### Do companies have a discussion forum for stimulating innovation?

### Does Luxembourg promote, drive and incentivise innovation?

Our first Deloitte Luxembourg Innovation Survey, conducted in 2014, focusses on how companies in Luxembourg define and implement innovation, find a forum for innovation, involve customers in the innovation process and collaborate with start-up companies. The survey also provides a view on how Luxembourg promotes, drives and incentivises innovation.

This survey was addressed to CEOs and CIOs of local companies, ranging from start-ups to large companies, from various industries such as financial services, technology, media & telecommunications, life sciences, and healthcare, as well as from the industrial and commercial sector.

**48%**   
of respondents are  
CEO's or CIO's from  
companies with more  
than 250 employees

 View chart

We  
received over  
**70**  
responses

**58%**   
of respondents are  
from the financial  
services industry

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We hope you will find this report a valuable tool for you to assess your degree of innovation maturity. To you, the executives who answered the questionnaire, thank you!

We look forward to continuing our dialogue on innovation with you.



# Key findings

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One third of the companies involve customers at the conception phase of the innovation process but organisations also consult customer at the testing or prototyping phase as well as the pre-commercial launch

The main reasons for innovation are company growth and differentiation from the competition



Less than half of the companies have a well-defined action plan to execute and implement their innovation strategy, however half of the companies have a process in place for collecting innovative ideas



96% of respondents consider that innovation is part of the top five strategic priorities. Over one fifth of companies in Luxembourg classify innovation as a top priority



Half of the Luxembourg based companies perceive innovation policy in Luxembourg as more conducive to better business in comparison to the policies of surrounding countries

60% are asking for a reduction in the administrative burdens in Luxembourg's innovation policy



Only one third of companies cooperate or consider to collaborate with start-ups or spin-offs for innovation or growth

One out of three companies do create interactions between staff and senior management for generating innovative ideas





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# Defining innovation

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## Definition of innovation

Innovation is the development of new or improvement of existing products, services or processes

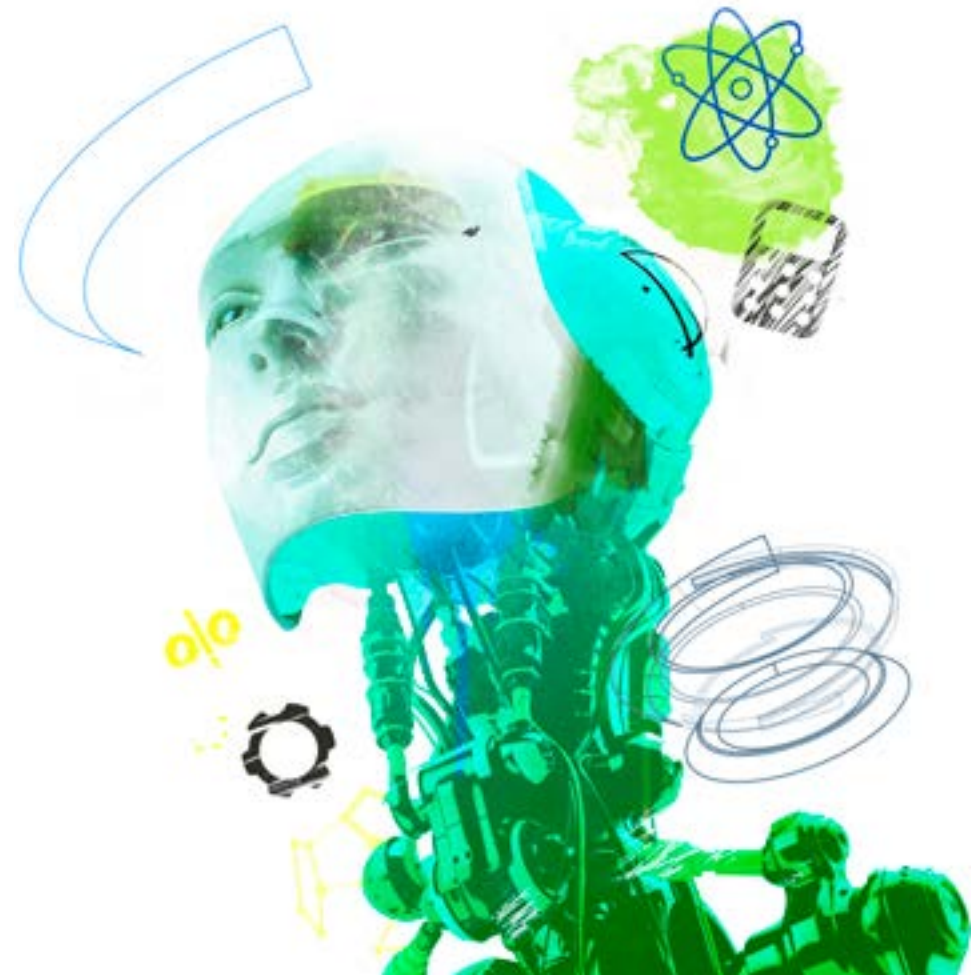
 Pop-up chart



## Reasons for innovating

Two thirds of companies innovate in order to grow or differentiate themselves from their competitors. Around half of the companies innovate to attract new customers or satisfy the needs of existing customers

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# Defining innovation

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## Importance and priority of innovation

Most companies consider innovation as key to their strategy. Innovation is therefore within the top 5 priorities for the vast majority of companies and is considered as a top priority for over 20% of the companies

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## Innovation strategy and communication

More than half of the companies have a well-defined innovation strategy, of which over two thirds confirm that this is in line with the overall strategy for growth

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# Implementing innovation

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## How to innovate

Innovating in-house and working with partners to develop new products or services are considered as the most successful approach to innovation

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## Innovation action plan

Almost half of the companies have a well-defined action plan to execute and implement the innovation strategy

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# Implementing innovation

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## Measuring innovation

A large majority of the respondents have defined Key Performance Indicators to measure the impact of their innovative projects, products or services

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## Obstacles for innovation

The difficulty to free up time and resources or the uncertainty of what innovation will result in are among the main obstacles for innovation

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# Involving customers in the innovation process



## How influential are customers

A vast majority of companies sees customers as influential or even essential to innovation, particularly in Consumer Business



## What steps of the process are customers involved in

Almost half of the companies have a well-defined action plan to execute and implement the innovation strategy

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## Paying for innovation as a customer

Almost two thirds of the companies that evaluate customers are reluctant to pay more for innovation





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# How corporates and spin-offs or start-ups collaborate in innovation?



## Connecting to start-ups for innovation

Less than one third of companies connect to start-ups to grow and scale innovation. Of those, over 75% finds the right start-up through their own network or scouting



## Growing or acquiring

When identifying new opportunities for growth outside the core business, 37% of companies will grow organically, 18% will acquire a business and 31% will do both

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## Is collaboration seen as valuable for innovation

Three out of four start-ups evaluate collaboration with large companies as valuable for innovation. Two out of three large companies see value in collaborating with start-ups. Mainly the Financial Services Industry has a lesser tendency to collaborate with start-ups or spin-offs

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# Do companies have a discussion forum for stimulating innovation?



## Collecting ideas within the organisation

Half of the companies confirm having a process in place to collect ideas for innovation and one third confirm that this process is well-communicated and understood throughout the organisation



## The idea generating process is supported by management and a tool

Almost one in three companies confirm having a feedback process in place on the ideas generated by their employees and two thirds confirm that the process is supported by senior management and a tool allowing interaction of the ideas

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# Does Luxembourg promote, drive and incentivise innovation?



## Luxembourg and innovation

Only 14% of the interviewed companies are present in Luxembourg due to innovation incentives available in the Grand-Duchy. For two thirds of companies, the innovation strategy is set in Luxembourg. Just over half of the companies are familiar with Luxembourg and European grants, tax incentives, government subsidies and public co-financing

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## Evaluating the Luxembourg innovation policy

The innovation policy in Luxembourg is rated higher than the neighbouring countries by half of the non-financial services companies and by over two thirds of the financial services companies

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