Glossary:Innovation

Innovation is the use of new ideas, products or methods where they have not been used before.

For the Community Innovation Survey (CIS) , an innovation is defined as a new or significantly improved product (good or service) introduced to the market, or the introduction within an enterprise of a new or significantly improved process.

Innovations are based on the results of new technological developments, new technology combinations, or the use of other knowledge, acquired by the enterprise. The innovations may be developed by the innovating enterprise or by another enterprise. However, purely selling innovations wholly produced and developed by other enterprises is not included as an innovation activity, nor is introducing products with purely aesthetic changes.

Innovations should be new to the enterprise concerned: for product innovations, they do not necessarily have to be new to the market and, for process innovations, the enterprise does not necessarily have to be the first one to have introduced the process.

Enterprises carrying out innovation activities cover all types of innovators including product and process innovators, as well as those enterprises with only ongoing and/or abandoned innovation activities. The proportion of enterprises undertaking innovation activities is also called the propensity (tendency) to innovate.

A **product innovation** is the market introduction of a new or a significantly improved good or service.

A **process innovation** is the implementation of a new or significantly improved production process, distribution method or support activity for goods or services.

Further information

- Innovation (CODED - Eurostat's Concepts and Definitions Database)

Related concepts

- Community Innovation Survey (CIS)
- Invention

Statistical data

- SDG 9 - Industry, innovation and infrastructure