

# The potential of services innovation to create new markets and to foster innovation in other sectors

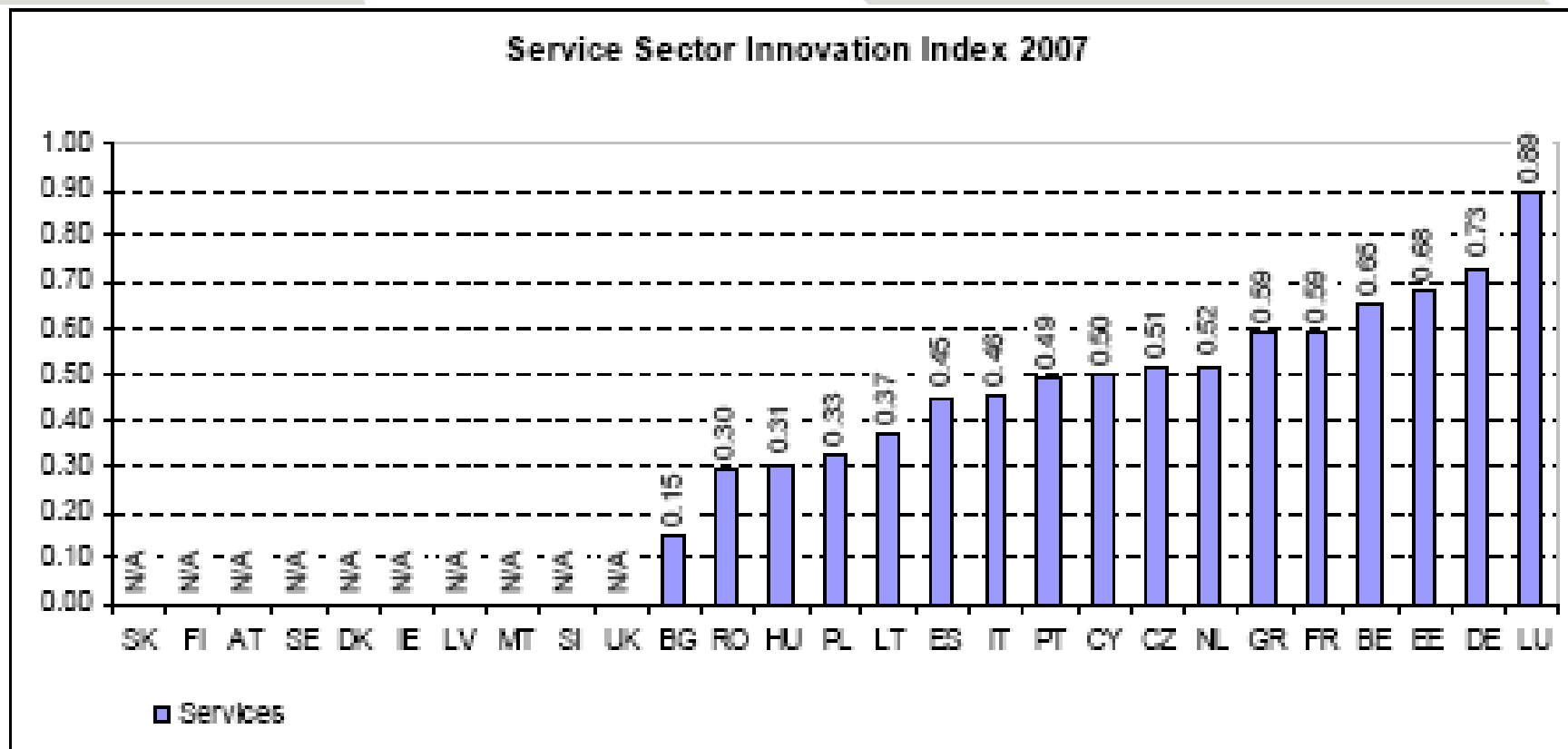
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**European Commission**  
Enterprise and Industry

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## Services innovation Index 2007



Source: Eurostat, New Cronos.

## *Barriers for services innovation: An overview*

<b>Market failures</b>
<b>Imperfect competition</b>
<b>Immobility of resources</b>
<b>Information asymmetry</b>
<b>Externalities</b>
<b>Property rights</b>
<b>Systemic Failures</b>
<b>Structural deficiencies</b>
<b>Institutional deficiencies</b>
<b>Regulatory deficiencies</b>

*Source: Van Cruysen, A. Hollanders, H. (2008), PRO INNO Europe INNO-Metrics*

## *How to support services innovation?*

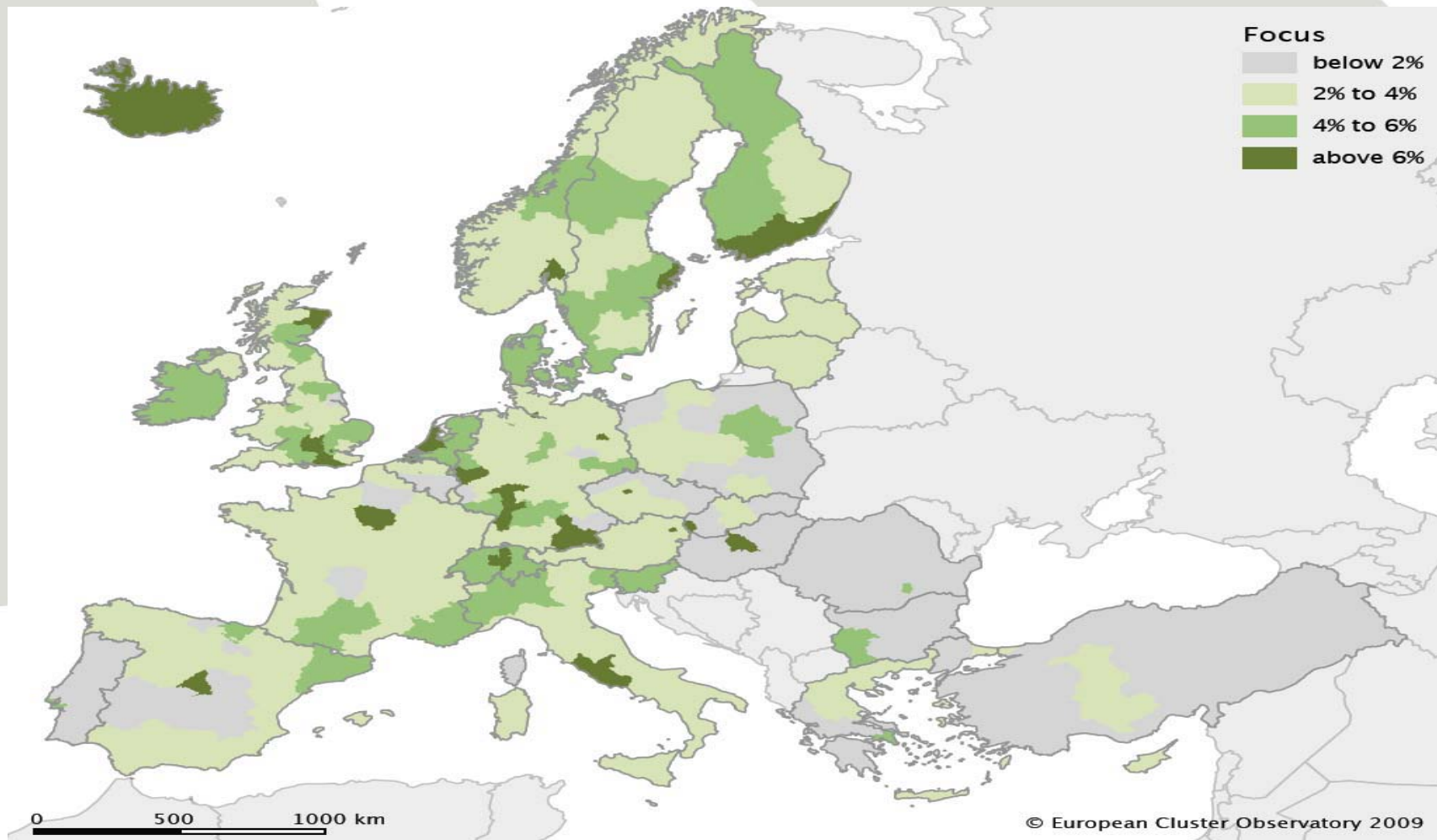
<b>Activity level</b>	<ul style="list-style-type: none"><li>- Services innovation metrics</li><li>- Innovation projects &amp; new business models</li><li>- Facilitation of knowledge transfer</li></ul>
<b>Firm level</b>	<ul style="list-style-type: none"><li>- Business incubation &amp; growth facilitation</li><li>- Innovation management training, design &amp; IP support</li><li>- Access to finance &amp; investment readiness</li></ul>
<b>Sector level</b>	<ul style="list-style-type: none"><li>- Services sectors metrics</li><li>- Infrastructure &amp; institutional support, e.g. design</li><li>- Specific cluster policies &amp; infrastructure</li></ul>
<b>Market level</b>	<ul style="list-style-type: none"><li>- Service markets foresight</li><li>- Quality standards &amp; certification</li><li>- Legal &amp; regulatory framework for innovative services</li></ul>

*Services industries and clustering*

<b>High clustering</b>	<b>Low clustering</b>
<b>Transportation</b>	<b>Retailing</b>
<b>Financial services</b>	<b>Public services</b>
<b>Publishing</b>	<b>Healthcare</b>

*Source: European Cluster Observatory 2009*

## Creative industries clusters in Europe



**Thank you for your attention!**

**Support for Innovation Unit, Innovation Policy Directorate  
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