National Statistics Office of Georgia GeoStat



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Innovative activity of enterprises

Questionnaire N 05.2.13.1 (annual)

Approved by the Decree N 4 of the National Statistics Office of Georgia, 19.02.2019.

- * The questionnaire is filled with any organizational-legal form of business, regardless of the economic activity of the company, the size of the property and the size of the enterprise, no later than **April 10** of current year.
- * Under the article 25, clause 2 of the Law of Georgia "on Official Statistics", Entrepreneurial and non-commercial legal entities are obliged to provide Geostat, upon the written request of Geostat, including such request in electronic form, with the available information (including confidential information) in paper or electronic form. Under the law participation in the statistical survey is mandatory for the selected respondent (clause 3 of Article 25). Non-compliance with the requirement to communicate information shall carry fine under the Administrative Offences Code of Georgia (Article 177¹²)
- * Individual data is considered confidential and is protected by the Law of Georgia "on Personal Data Protection" and Article 34 of the Law of Georgia "on Official Statistics"
- * Through this question, data collection is carried out on the innovative activity of the enterprise during the past 2023.

Identification data

Interviewer name, last name

Full name of enterprise (organization)	
Taxpayer Identification Code	
Statistical Registry Identification Number	
Name and Surname of the respondent	
The telephone number of the respondent	
The main economic activity	
Actual address	
Municipality	
City, borough, community	
The village	
Street and other address	

2. Strategies and Business Environment

2.1 During 2023, how important were the following strategies to the economic performance of your enterprise?

		Degree of importance					
		High	Medium	Low	Not important		
2.1.1.	Focus on improving your existing goods or services	1□	2□	3□	4□		
2.1.2	Focus on introducing new goods or services	1□	2□	3□	4□		
2.1.3	Focus on low-price (price leadership)	1□	2□	3□	4□		
2.1.4	Focus on high-quality (quality leadership)	1□	2□	3□	4□		
2.1.5	Focus on a broad range of goods or services	1□	2□	3□	4□		
2.1.6	Focus on one or a small number of key goods or services	1 🗆	2□	3□	40		
2.1.7	Focus on satisfying established customer groups	10	2□	3□	40		
2.1.8	Focus on reaching out to new customer groups	10	2□	3□	40		
2.1.9	Focus on standardised goods or services	1□	2□	3□	4□		
2.1.10	Focus on customer-specific solutions	1 🗆	2□	3□	4□		

2.2 During 2023, to what extent do the following characteristics describe the conditions faced by your enterprise?

	•				
		Applies fully	Applies somewhat	Applies very little	Applies not all
2.2.1.	Goods or services become outdated quickly	1□	2□	3□	4□
2.2.2	Future technological developments are difficult to predict	10	2□	3□	4□
2.2.3	Your enterprise goods or services are easily substituted with those of your competitors	1□	2□	3□	4□
2.2.4	Entry of new competitors leads to a major threat of your enterprises' market position	1 🗆	2□	3□	4□
2.2.5	Competitor's actions are difficult to predict	1□	2□	3□	4□
2.2.6	Changes in demand are difficult to predict	1□	2□	3□	4□
2.2.7	Strong competition from abroad	1 🗆	2□	3□	4□
2.2.8	Price increases lead to loss of clients	1□	2□	3□	4□

2.3 During 2023, did your enterprise offer any of the following types of goods or services to meet user requirements?

A user can be an end customer or an enterprise which uses a product as an intermediate product.

	Yes	No
2.3.1. Goods or services co-created* with users, i.e., the user had an active role in the creation of the idea, design and development of the product (co-creation)	10	2□

2.3.2	Goods or services designed and developed* specifically to meet the needs of particular users (customisation) This excludes mass customisation, i.e., customised versions of standard products.	1 □	2□
2.3.3	Standardised goods or services offered to different users in the same way This includes mass customisation.	1□	2□

^{*} A difference between customisation and co-creation is that for 'customisation' the enterprise designed and developed the product alone, whereas for 'co-creation' the enterprise designed and developed the product together with the user.

2.4	During 2023, did your enterprise purchase machinery, equipment or software based on:				
		Yes	No		
2.4.1	The same or improved technology used in your enterprise before	1□	2□		
2.4.2	New technology that was not used in your enterprise before	1_	2□		

2.5	During 2023, how important were the following consequences of climate change for your business?						
		Degree of importance					
		High	Medium	Low	Not important	Don't know	
2.5.1.	Government policies or measures related to climate change	1□	2□	3□	4□	5□	
2.5.2	Customers' rising awareness of climate change (e.g., demand for low-carbon products and products better adapted to climate change)	1 🗆	2□	3□	4□	5□	
2.5.3	Increasing costs or input prices resulting from climate change (e.g., higher insurance fees, higher prices for water, adaptation of processes or facilities)	10	2□	3□	4□	5□	
2.5.4	Impacts of extreme weather conditions (e.g., damages/disturbances)	1□	2□	3□	4□	5□	

3. Innovation

A product innovation is a new or improved good or service that differs significantly from the firm's previous goods or services and which has been implemented on the market.

Include:

- significant changes to the design of a good,
- digital goods or services.

Exclude: the simple re-sale of new goods and changes of a solely aesthetic nature.

3.1	During 2023, did your enterprise introduce any:		
		Yes	No
3.1.1	New or improved goods	1□	2□
3.1.2	New or improved services	1□	2□
Note:	f 'no' to all options go to question 3.5, otherwise go to question 3.2		

3.2	In 2023, did your enterprise introduce any new or improved products (goods or services) that were:				
		Yes	No		
3.2.1	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)	10	2□		
3.2.2	New to your firm (Your enterprise introduced a new or significantly improved product that was already available from your competitors in your market)	10	2□		

3.3	Using the definitions above, please estimate the percent 2023 from:	of yo	our enterpr	rise's total turnover in
3.3.1	Products introduced during 2023 that were not previously offered by any of your competitors (Answer if 3.2.1 is "yes")	%	//	// Please provide a combined estimate of
3.3.2	Products introduced during 2023 that were identical or very similar to products already offered by your competitors (Answer if 3.2.2 is "yes")	%	//	sales from innovative products when not able to differentiate between items 3.3.1 and 3.3.2.
3.3.3	Products that were unchanged or only marginally modified during 2023 (include the resale of new products purchased from other enterprises)	%		//
3.3.4	Total turnover in 2023	%		100

3.4 Who developed these product innovations? (Tick all that apply)					
		Goods Innovation	Services Innovation		
3.4.1	Your enterprise by itself	1□	2□		
3.4.2	Your enterprise together with other enterprises or institutions*	1□	2□		
3.4.3	Your enterprise by adapting or modifying goods or services originally developed by other enterprises or institutions*	10	2□		
3.4.4	Other enterprises or institutions*	1□	2□		
* Incl	ide independent enterprises plus other parts of your enterprise group (euheidiaries	eietor		

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

A business process innovation is a new or improved business process for one or more business functions that differs significantly from the firm's previous business processes and which has been implemented within the firm.

3.5	3.5 During 2023, did your enterprise introduce any of the following types of new or improprocesses that differ significantly from your previous processes?					
		Yes	No			
3.5.1	Methods for producing or developing goods or providing services	1□	2□			
3.5.2	Logistics, delivery or distribution methods	1□	2□			
3.5.3	Methods for information processing or communication	1□	2□			
3.5.4	Methods for accounting or other administrative operations	1□	2□			
3.5.5	Business practices for organising procedures or external relations	1_	2□			

3.5.6	Methods of organising work responsibility, decision making or human resource management	10	2□
3.5.7	Marketing methods for promotion, packaging, pricing, product placement or after sales services	1□	2□
Note:	If 'no' to all options go to question 3.7, otherwise go to question 3.6		

Who developed these process innovations? (Tick all that apply)	
Your enterprise by itself	1□
Your enterprise together with other enterprises or institutions*	2□
Your enterprise by adapting or modifying goods or services originally developed by other enterprises or institutions*	3□
Other enterprises or institutions*	4□
	Your enterprise by itself Your enterprise together with other enterprises or institutions* Your enterprise by adapting or modifying goods or services originally developed by other enterprises or institutions*

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

'Innovation activity' includes all developmental, financial and commercial activities, undertaken by a firm, which are intended to or result in an innovation.

Research and Development (R&D) comprises creative and systematic work undertaken in order to increase the stock of knowledge – including knowledge of humankind, culture and society – and to devise new applications of available knowledge.

3.7	During 2023, did your enterprise have any of the following types of innovation act (Activities leading to expenditures)	tivities?	
		Yes	No
3.7.1	<u>Completed</u> activities on new or improved products or processes that have not yet been implemented	1_	2□
3.7.2	Ongoing innovation activities at the end of 2020	1□	2□
3.7.3	<u>Abandoned</u> innovation activities	1□	2□
3.7.4	In-house research and development (R&D) activities*	1□	2□
	if 'yes' did your enterprise perform in-house R&D during 2023:		
3.7.5	Continuously (your enterprise had permanent R&D staff)	1	
3.7.6	Occasionally (as needed only)	2	
3.7.7	<u>Contract-out R&D</u> to other enterprises (include enterprises in your own group) or to public or private research organisations)	1_	2□
Note:	If 'no' to all options in questions 3.1, 3.5, and 3.7, go to question 3.10. Otherwise, go to	question	3.8.

3.8	How much did your enterprise spend on innovation and research and development (R&D) in 2023? Please tick 'none' for all categories if your enterprise did not have any expenditure on innovation and/or R&D in 2023.			
	Expenditures on innovation and R&D in 2023			
		you lack precise	Please tick, if there were no such expenditures in 2023	
3.8.1	R&D performed in-house (Include current expenditures including labour costs and capital expenditures (buildings, machinery, equipment, software etc.) specifically for R&D)	()	10	

3.8.2	R&D contracted out to others (including enterprises in own enterprise group)	()	10
3.8.3	All other innovation expenditures* (i.e. excluding R&D) Of which:	()	10
3.8.4	Own personnel working on innovation	()	10
3.8.5	Services, materials, supplies purchased from others for innovation	()	10
3.8.6	Capital goods for innovation (acquisition of machinery, equipment, software, IPRs, buildings etc.)	()	10

3.9	During the three years from 2018 to 2020, did your enterprise try to obtain the following types of funding? If funding was obtained successfully, was this funding used for R&D or other innovation activities?						
		Try to obtain	in funding	funding, wa fully used fo	rprise obtained is this partly or or R&D or other in activities?		
		Yes, successfully obtained some funding of this type	Tried, but not successful	No	Yes	No	
3.9.1	Equity finance (finance provided in exchange for a share in the ownership of the enterprise)	10	2□	3□	4□	5□	
3.9.2	Debt finance (finance that the enterprise must repay)	10	2□	3□	40	5□	

3.10	During 2023, 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, subsidized loans, and loan guarantees. Exclude research and other innovation activities conducted entirely for the public sector under contract.					
		If your enterprise received financial support in 2023: was part of this used for R&D or other innovation activities in 2023?				
		Yes	No	Yes	No	
3.10.1	Local or regional authorities*	1□	2□	3□	4□	
3.10.2	National government*	1□	2□	3□	4□	
3.10.3	Financial support from a European Union institution*	10	2□	3□	4□	
3.10.4	From other financial institution*	10	2□	3□	4□	

^{*} Include financial support via grants, subsidised loans, and loan guarantees. Exclude financing of activities under contract by the public sector. 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.

3.11	During 2023, did your enterprise use tax incentives or allowances for the following purposes?					
		Yes	No			
3.11.1	Tax credits or allowances for R&D or other innovation activities	1□	2□			
3.11.2	Tax credits or allowances for all other types of activities	1□	2□			

3.12 During 2023, did your enterprise co-operate* with other enterprises or organisation				
		Yes	No	
3.12.1	On R&D	1□	2□	
3.12.2	On other innovation activities (excluding R&D)	1□	2□	
3.12.3	On any other business activities	1□	2□	
	On any other business activities f 'yes' to either option a) or b), go to question 3.13, otherwise go to question 3	3.14	10	

^{*} Co-operation is active participation with other enterprises or organisations. Partners do not need to commercially benefit. Exclude pure contracting out of work with no active co-operation.

3.13	Please indicate the type of innovation co-operation partner	by location	on	
	Type of co-operation partner	Georgia	EU* or EFTA** or United Kingdom	All other countries
3.13.1	Private business enterprises outside your enterprise group of which:			
3.13.2	Consultants, commercial labs, or private research institutes	1□	2□	3□
3.13.3	Suppliers of equipment, materials, components or software	1□	2□	3□
3.13.4	Enterprises that are your clients or customers	1□	2□	3□
3.13.5	Enterprises that are your competitors	1□	2□	3□
3.13.6	Other enterprises	1□	2□	3□
3.13.7	Enterprises within your enterprise group	1□	2□	3□
3.13.8	Universities or other higher education institutions	1□	2□	3□
3.13.9	Government or public research institutes	1□	2□	3□
3.13.10	Clients or customers from the public sector***	1□	2□	3□
3.13.11	Non-profit organisations	1□	2□	3□

^{*-}The Member States of the European Union (EU) are: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Ireland, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovenia, Slovakia, Spain, Sweden.
**-Iceland, Liechtenstein, Norway, Switzerland.

^{***-}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.

During the three years 2018 to 2020, has legislation or regulation affected your enterprises' 3.14 innovation activities in any of the ways shown in columns A to C? More than one box per row can be ticked. It can be for instance that your enterprise has several different innovation activities. For example, for one innovation activity product safety regulation might have initiated your innovation activities while for another innovation activity it had prevented your Initiated or Prevented. Type of legislation or facilitated hampered or Had no effect / not regulation innovation increased costs of relevant activities innovation activities Column A Column B Column C 3.14.1 Product safety, consumer 1□ 2□ 3□ protection 3.14.2 Environmental 1□ 2□ 3□ 3.14.3 Intellectual property 1□ 2□ 3□ Tax 3.14.4 1□ 2□ 3□ 3.14.5 Employment, worker

2□

2□

3□

3□

1□

1□

safety or social affairs

Data Protection Regulation

3.14.6

3.15.9

During 2023, how important were the following factors in hampering your enterprises' 3.15 decision to start innovation activities*, or its execution of innovation activities*? Degree of importance Not a High Medium Low constraint 3.15.1 Lack of internal finance for innovation 1□ 2□ 3□ 4□ 3.15.2 Lack of credit or private equity 1□ 2□ 3□ 4□ 3.15.3 Difficulties in obtaining public grants or 1□ 2□ 3□ 4□ subsidies 3.15.3 Costs too high 1□ 2□ 3□ 4□ 3.15.4 ack of skilled employees within your 1□ 4□ 2□ 3□ enterprise 3.15.5 Lack of collaboration 1□ 2□ 3□ 4□ partners 3.15.6 Lack of access to external 1□ 2□ 3□ 4□ knowledge 3.15.7 Uncertain market demand for your 1□ 2□ 3□ 4□ 3.15.8 Too much competition in your 1□ 2□ 3□ 4□ market

Different priorities within your enterprise

1□

2□

3□

4□

^{*} Any activity on new or improved products or processes, including ongoing or abandoned activities.

Innovations with environmental benefits

An innovation with environmental benefits is a new or improved product (good or service) or business process that that creates environmental benefits.

- The environmental benefits can be the primary objective of the innovation or a by-product of other objectives.
- The environmental benefits of an innovation can occur during the production of a good or service, or during its consumption or use by the end user of a product. The end user can be an individual, another enterprise, the Government, etc.
- 3.16 During 2023, did your enterprise introduce innovations with any of the following environmental benefits, and, if yes, was their contribution to environmental protection rather significant or insignificant?

Env	rironmental benefits obtained within your enterprise	Yes, significant	Yes, but insignificant	No		
3.16.1	Reduced material or water use per unit of output	1□	2□	3□		
3.16.2	Reduced energy use or CO2 'footprint' (i.e., reduced total CO2 emission)	1□	2□	3□		
3.16.3	Reduced soil, noise, water or air pollution	1□	2□	3□		
3.16.4	Replaced a share of materials with less polluting or hazardous substitutes	1□	2□	3□		
3.16.5	Replaced a share of fossil energy with renewable energy sources	1□	2□	3□		
3.16.6	Recycled waste, water, or materials for own use or sale	1□	2□	3□		
Envir	onmental benefits obtained during the consumption or use of a good or service by the end user	Yes, significant	Yes, but insignificant	No		
3.16.7	Reduced energy use or CO2 'footprint'	1□	2□	3□		
3.16.8	Reduced air, water, soil or noise pollution	1 🗆	2□	3□		
3.16.9	Facilitated recycling of product after use	1□	2□	3□		
3.16.10	Extended product life through longer-lasting, more durable products	1□	2□	3□		
Note:	Note: If no to all options, go to section 4, otherwise go to question 3.17					

How important were the following factors in driving your enterprise's decisions to introduce innovations with environmental benefits? Degree of importance Not Medium High Low relevant 3.17.1 Existing environmental regulations 2□ 3□ 4□ 1□ 3.17.2 Existing environmental taxes, charges or fees 2□ 3□ 4□ 1□ 3.17.3 Environmental regulations or taxes expected in 1□ 2□ 3□ 4□ the future 3.17.4 Government grants, subsidies or other financial incentives for environmental 1□ 2□ 3□ 4□ innovations Current or expected market demand for 3.17.5 1 🗆 2□ 3□ 4□ environmental innovations 3.17.6 Improving your enterprise's reputation 1□ 2□ 3□ 4□

3.17.7	Voluntary actions or initiatives for environmental good practice within your sector	1□	2□	3□	4□
3.17.8	High cost of energy, water or materials	1 🗆	2□	3□	4□
3.17.9	Need to meet requirements for public procurement contracts	1_	2□	3□	4□

	4. Basic information on your enterprise		
		The average number of persons employed, persons	
4.1	What was the average number of persons employed* by your enterprise in 2023?		

^{*} Total number of persons (headcount) who work in the enterprise (inclusive of working proprietors, partners working regularly in the unit and unpaid family workers), as well as persons who work outside the enterprise's premises and are paid by it (e.g. sales representatives, delivery personnel, repair and maintenance teams). It excludes manpower supplied to the enterprise by other enterprises, persons carrying out repair and maintenance work in the enterprise on behalf of other enterprises, as well as employed persons on compulsory military service or long-term leave.

4.2	Approximately what percentage of the partial tertiary degree?	persons employed in your enterprise in 2020 had a
	(Т	ick only one)
	0%	1□
	1-5%	2□
	5-10%	3□
	10-25%	4□
	25-50%	5□
	50-75%	6-
	75% and more	7□

		Turnover, GEL
4.3	What was your enterprise's total turnover11 in 2023?	

4.4	Approximately, what was the percentage of turnover in 2023 from	
4.4.1	Customers located in Georgia	%
4.4.2	Customers located in other EU* and EFTA** countries	%
4.4.3	Customers located in countries not included above	%
	Total	100%

4.5	How much did your enterprise spend in 2023 on the following items ?		
		Total expenditure in 2023	
			Please tick, if there were no such expenditures in 2023
4.5.1	Acquisition of machinery, equipment, buildings and other tangible assets	Gel	10
4.5.2	Marketing, brand building, advertising (include in-house costs and purchased services)	Gel	1□
4.5.3	Training own staff (include all inhouse costs including wages and salaries of staff while being trained, and costs of purchased services from others)	Gel	10
4.5.4	Product design (include in-house costs and purchased services)	Gel	10
4.5.5	Software development, database work and data analysis (include inhouse costs and purchased	Gel	10
4.5.6	Registering, filing and monitoring own Intellectual Property Rights (IPRs) and purchasing or licensing IPRs from others	Gel	10

Note: Answer questions 4.6 to 4.8 only if your enterprise is 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.

4.6	In 2023, was your enterprise part of		
		Yes	No
4.6.1	an enterprise group with the head office located in Georgia	1□	2□
4.6.2	If yes: Are all of the enterprises of that group located in Georgia?	1 🗆	2□
4.6.3	an enterprise group with the head office located abroad	1□	2□
4.6.4	If yes: Country in which head office is located		

4.7 During 2023, did your enterprise engage in any of the following activities with one or more enterprises of your enterprise group? (Tick all that apply)				
		Yes, other enterprise in <u>Georgia</u>	Yes, other enterprise <u>abroad</u>	No
Inflows from other enterprises in your group:				
4.7.1	Receiving technical knowledge*	10	2□	3□

4.7.2	Receiving financial resources	1_	2□	3□
4.7.3	Receiving personnel	1 🗆	2□	3□
4.7.4	In-sourcing of business activities	1□	2□	3□
Outflo group	ws to other enterprises in your :			
4.7.5	Transferring technical knowledge*	1 🗆	2□	3□
4.7.6	Transferring financial resources	1 🗆	2□	3□
4.7.7	Transferring personnel	1 🗆	2□	3□
4.7.8	Out-sourcing of business activities	1□	2□	3□

^{*} Technical knowledge includes all knowledge needed to solve technical problems in the production process; it excludes all general knowledge not specifically needed to solve particular technical problems.

5.1	Name and surname of the respondent		
5.2	Phone number of the respondent		
5.3	Time spent filling out the questionnaire	Hours	Minutes

Thank you for your cooperation!