

Press Release

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AUSTRIA NEEDS MORE RADICAL INNOVATIONS

AIT study shows: Market innovations help companies to grow faster, but radical innovations often meet resistance in older companies

Vienna (AIT): Innovations are the basis for economic success. Austrian companies invest a lot in research and development, but there is still potential for innovation output in international comparison. A recent study by the AIT Austrian Institute of Technology sees a need for more companies that create radical innovations.

Radical innovators are more successful

About six percent of all companies in Austria with more than 10 employees are radical innovators. These have developed a market novelty, are internationally active and generate significantly more with new products than other companies. Radical innovators grow faster than other companies. These are the findings of a study by the AIT Center for Innovation Systems & Policy, commissioned by the Austrian Council for Research and Technology Development.

Radical innovators are often young companies

Companies that produce radical innovations are also significantly younger than average. Study author Bernhard Dachs, Senior Scientist at AIT: "Radical innovations often meet resistance in older companies: instead of focusing on radical innovations, their management prefers to concentrate on the further development of those technologies and business models with which they were successful in the past."

Challenges for radical innovators

Radical innovators face major challenges in the innovation process: a lack of knowledge, a shortage of qualified personnel and too high costs trouble them more often than other companies. Policymakers can support radical innovations by giving more consideration to risky projects and young companies in funding. Furthermore, targeted promotion of the networking of companies with non-European partners can help to create more radical innovations. "Radical innovators often cooperate with non-European partners outside of Europe. Austrian companies, however, cooperate mainly within Europe," says study author Bernhard Dachs.

The study "Radical Innovation and Company Age" was commissioned by the Austrian Council for Research and Technology Development and is available [online](#).

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