

# Why should Hunter businesses innovate?

**Hunter Innovation Showcase**

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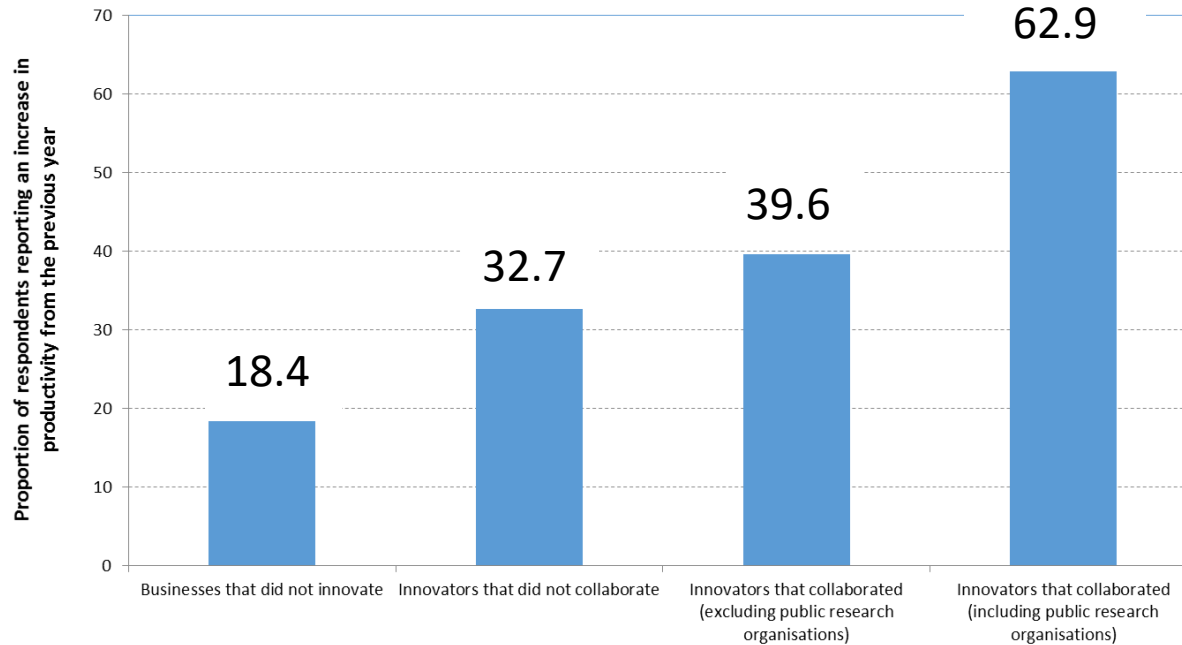
**1 June 2018**



**HUNTER RESEARCH  
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# NATIONAL EVIDENCE: PRODUCTIVITY

## The effect of innovation and collaboration on firm productivity



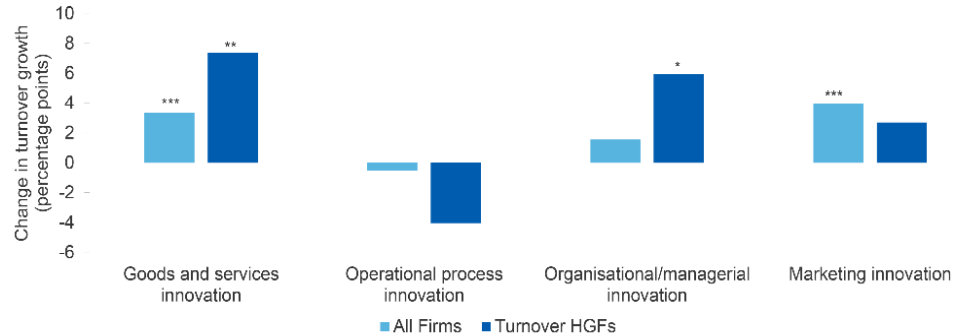
**Source:** ABS (2012) Innovation in Australian Business, Cat. No. 8158.0: customised request by Department of Industry, Innovation and Science

# NATIONAL EVIDENCE: FIRM GROWTH

## Innovation is important for firm growth

Innovation in goods and services, and marketing has a positive impact on firm growth

Impact on turnover from undertaking different types of innovation, by turnover growth category, 2005–06 to 2012–13



Notes: \*\*\* p<0.01, \*\* p<0.05, \* p<0.1.

Source: ABS (2017) Business Longitudinal Analysis Data Environment (BLADE). Analysis by Department of Industry, Innovation and Science.

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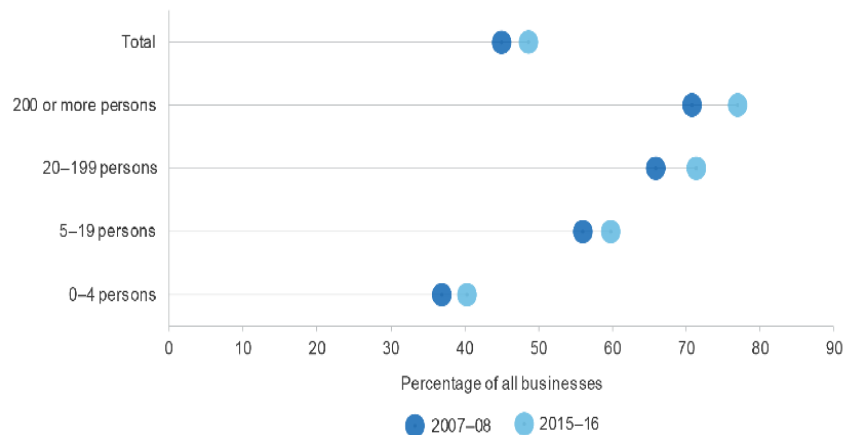
[industry.gov.au/OCE](http://industry.gov.au/OCE)

Source: ABS (2012) Innovation in Australian Business, Cat. No. 8158.0: customised request by Department of Industry, Innovation and Science

# NATIONAL EVIDENCE: % FIRMS INNOVATING

## Innovation activity in Australia – firm level

Innovation-active businesses, by business size, 2007–08 and 2015–16



Source: ABS (2017) *Summary of IT Use and Innovation in Australian Businesses, 2015-16 and 2007-08*, cat. no. 8166.0

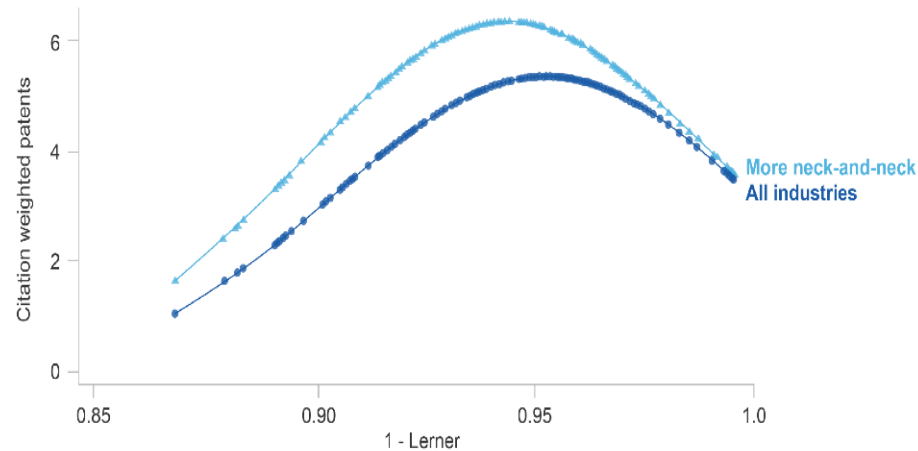
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[industry.gov.au/OCE](http://industry.gov.au/OCE)

**Source:** ABS (2012) *Innovation in Australian Business*, Cat. No. 8158.0: customised request by Department of Industry, Innovation and Science

# COMPETITION VS COLLABORATION

## Inverted U-shape – competition and collaboration



Note:  $c_{jt}$  is the competition measure based on Leamers Index  
Source: Adapted from Aghion P, et al. (2005) *Competition and Innovation: an Inverted-U Relationship*

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[industry.gov.au/OCE](http://industry.gov.au/OCE)

Source: ABS (2012) Innovation in Australian Business, Cat. No. 8158.0: customised request by Department of Industry, Innovation and Science

# NATIONAL EVIDENCE: FIRM GROWTH

## Collaboration indicators

Measuring the state of business-research collaboration in Australia



**86.3%**

of Australian innovation-active business undertook no collaboration at all in 2015–16



Less than

**1 in 4**

innovative firms collaborate on product and process innovation



Most R&D activities are

**in-house**

and do not involve partnership with other organisations



We are undertaking work to improve the way we measure

**innovation statistics**

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[industry.gov.au/OCE](http://industry.gov.au/OCE)

**Source:** ABS (2012) Innovation in Australian Business, Cat. No. 8158.0: customised request by Department of Industry, Innovation and Science



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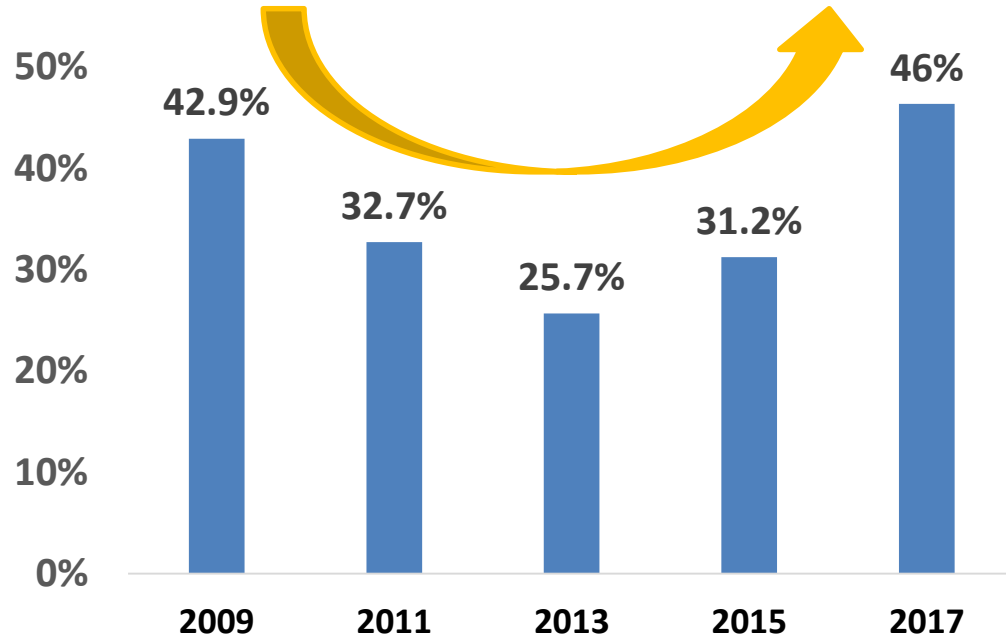
**HRF Centre's unique research program for  
the Hunter economy is based on**

## **Hunter Pulse Surveys**

**We talked to 300 businesses  
across the Hunter  
and this is what they told us.**

# HUNTER INNOVATION, BEST RESULT YET

**% Hunter Businesses Introducing New or Improved Products or Services**

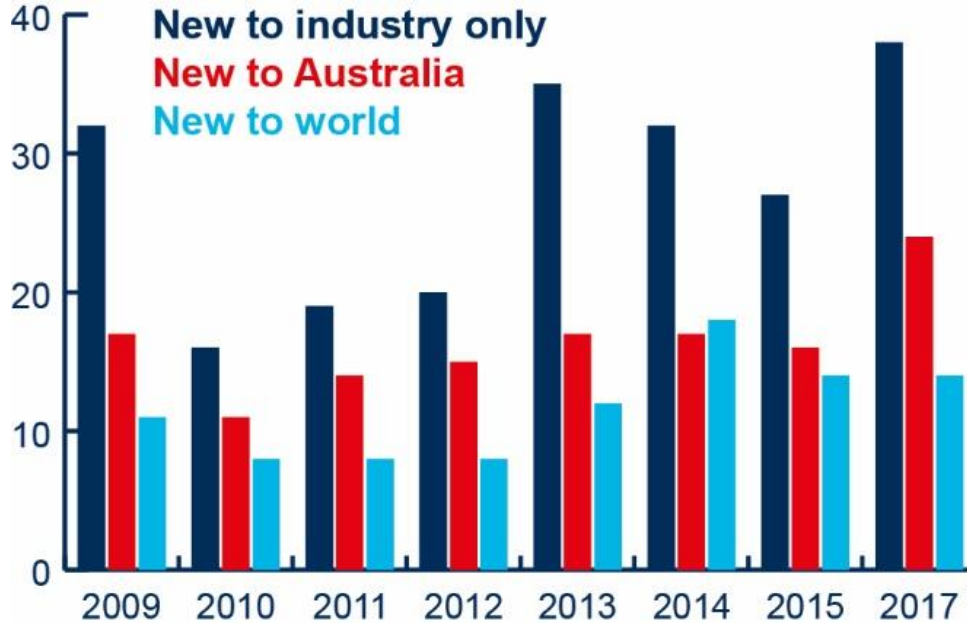


Source: HRF Centre, Hunter Pulse Business Survey 2009-17



# IN HUNTER NEW OFFERINGS STAY CLOSE TO HOME...

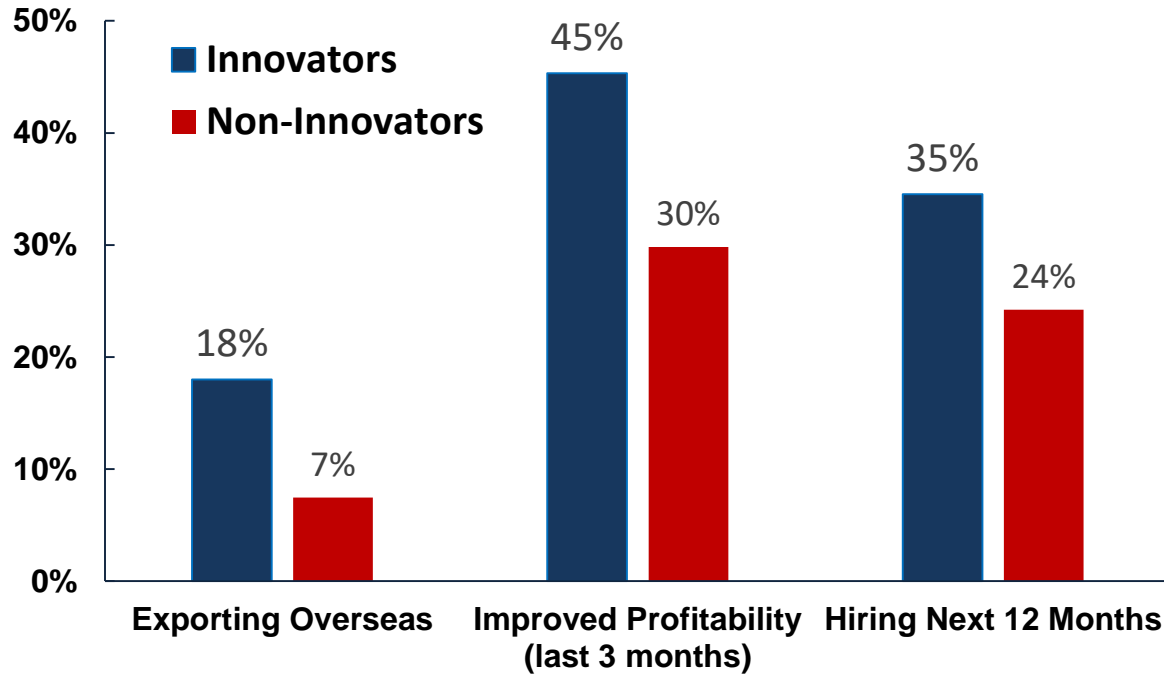
% Innovating Firms



Source: HRF Centre Hunter Pulse Business Surveys

Note: No data collection in 2016

# HUNTER INNOVATING FIRMS, SMART FUTURES..



Source: HRF Centre Hunter Pulse Business Survey 2017

**THANK YOU**



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