



# Demand side policies to foster the market uptake of innovations





European  
Commission

*"While there is no single Definition of demand-side Innovation policy, it is often understood as a set of public measures to increase demand for innovations, to improve conditions for the uptake of Innovations or to improve the articulation of demand"* if a market failure can be observed and/or if the innovation is needed to respond to a societal challenge.



# Respond to Market Trends and Societal Challenges



## ***Support the uptake and increase the potential for innovations:***

**Fund market studies on new or not yet well developed markets and technologies / processes;**

**Support the assessment of societal impacts of potentially risky innovations;**

**Improve interoperability to respond to user's needs (e.g. interoperability of plugs for mobile phones);**

**Launch information and transparency campaigns about innovations;**

**Support the creation or amendment / clarification of labelling;**

**Support the emergence of new sectors;**

**Support sectors to combine activities;**

**Support sectors to make use of innovations developed in other sectors (aerospace and automotive sectors).**

## **Develop the necessary skills to use the innovation**



## ***Education, Training, Skills***

**Support training for businesses / customers in order to learn how to use the innovation;**

**Ensure that business customers are involved early in the innovation / design process if existing products are to be improved, especially in the case of disruptive innovation (early start of learning to increase acceptability);**

**Support the creation of new professional certificates.**

## **Spread the knowledge about innovations**



***Dissemination of good practices and reward of the innovator***

**Support communication activities to raise awareness about innovations;**

**Promote / reward innovation (e.g. through prizes and awards), in order to support the creation of an innovation culture in businesses and public administrations.**

# Secure the innovation and make it ready for the market



## *Legislation, IPR, Copyrights, Standards*

**Make sure that an IPR regime is in place which encourages and protects innovation;**

**Support the development of (performance, safety, quality..) standards (also for services);**

**Issue standardisation mandates to Standardisation Bodies;**

**Improve / amend existing legislation which could be a barrier to innovation;**

**Support the screening of legislation and procedures;**

**Make sure that rules / procedures are in place which increase consumer confidence in the innovation (e.g. technology certification, insurance schemes, clear liability rules, data protection, recycling requirements etc.);**

**Reduce or abolish concentration of market power which is detrimental to innovation through compulsory licensing, documentation, interoperability.**

## Bring the innovation to the market



## *Support the market uptake and funding of placing innovation on the market*

**Support / establish rules and procedures for pre-commercial Procurement;**

**Support the aggregation of demand (e.g. through joint procurement, procurement networks);**

**Support business support services which improve the access to potential customers (matching, one-stop-shops);**

**Support trade fairs which bring demand and supply together and allow for demonstration of innovative products;**

**Provide assistance for the creation of websites that link innovative suppliers and potential purchasers;**

**Provide financial incentives (tax reductions, subsidies);**

**Adapt amortisation rules for investments to foster investment in innovations;**

**Provide public guarantees (to banks) to fund high-risk innovations (especially for services);**

**Identify launch customers who might purchase under preferential conditions.**



## Testing of innovations



***Provide support for testing of innovations in 'real life conditions'***

**Fund feasibility studies;**

**Co-fund pilot systems or prototypes;**

**Establish support structures for testing (e.g. bring users, suppliers, regulators together);**

**Support public-private partnerships (e.g. for new mobility concepts);**

**Fund R&D if testing reveals new needs for further research.**