

Act. 2.6 STAKEHOLDER SURVEY

Deliverable D2.6.1 and D2.6.2

D2.6.1) Surveys online: digital tool for the creation of surveys will be used (DRUPAL modules on the website or other software)

D2.6.2) Data analysis report of the overall results of the surveys

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Introduction

The Adriatic Sea houses a large number of diverse and unique marine ecosystems. These ecosystems are a key-developing factor for Blue Economy purposes. Enhancing their attractiveness is compulsory in order to foster Blue Growth across the Adriatic Sea. To this aim, ADRIREEF focuses on the development of project outputs able to open concrete opportunities of environment protection and to foster the creation of novel economic activities, making the Adriatic area more attractive for SMEs investments and development. Moreover, ADRIREEF is expected to contribute to knowledge transfer by drafting relevant documents concerning both decision-makers and blue economy stakeholders.

Therefore, the project invests in the effective engagement of relevant stakeholders: activity 3.5 leads to the identification and classification of relevant stakeholders and its results are indeed the foundation for the surveying activity (Act. 2.6) hereby presented, the aim of which is to create and foster significant exchange opportunities between the project and the key stakeholders.

Activity 2.6, contributes to the *Programme output indicator n. C004 “Productive Investment: number of enterprises receiving non-financial support”*. In line with the AF, act 2.6 collects relevant information on their approach to innovation from the identified stakeholders, setting up an online survey.

This document is the final report of the stakeholder survey. It sets out the methodology and gives an account of the stakeholder survey results and possible engagement strategies. It also sites specific recommendations for further stakeholder engagement in activities concerning the selected case study sites. An effort has been made to summarise the collected information in a comparable format so to provide a comparative analysis that can form the basis for further study, monitoring and evaluation, and that can feed the process of final guidelines development.

Hence, this document should be considered as a baseline and “working” document, the content of which should be “used” as a basis for further project activities.

Research objectives and method

A definition of innovation

The adopted definition of innovation is based on an Organisation for Economic Co-operation and Development (OECD) definition adopted by Eurostat¹. This definition includes any of the following activities:

1. *the introduction of a new or significantly improved product (good or service) or process*
2. *engagement in innovation projects not yet complete, scaled back or abandoned*
3. *new and significantly improved forms of organisation, business structures or practices, and marketing concepts or strategies*
4. *investment activities in areas such as internal research and development, training, acquisition of external knowledge or machinery and equipment linked to innovation activities*

A company having engaged in any of the activities described in points 1 to 3 is defined as being **innovation active**. A company having engaged in any of the activities described in points 1 to 4 is defined as a **broader innovator**. Finally, any company having engaged in the activity described in point three can be classified as a **wider innovator**.

¹ <https://ec.europa.eu/eurostat/web/products-manuals-and-guidelines/-/KS-01-18-852>

There are varying motivations for businesses to engage in broad forms of innovation, which may relate to firms' business strategies of improving quality, reducing costs or diversifying their range of products and services. The survey indicated four innovation types:

- **Process innovation** is the application or introduction of a new technology or method to do something that helps an organization remaining competitive
- **Product innovation** is the creation and subsequent introduction of a good or service that is either new or an improved version of previous goods or services
- **Marketing innovation** is the implementation of a new marketing method involving significant changes in product design or packaging, product placement, product promotion or pricing
- **Innovation in the organization of work** is the implementation of a new organisational method in the firms' business practices, workplace organisation or external relations

Research objectives

Innovation is considered as a critical factor in business competitiveness and success. This stakeholder survey aimed at analysing and measuring the approach to innovation and the factors allowing companies operating in the Adriatic Blue Economy to maintain and develop competitiveness.

The survey was addressed to a sample of Italian and Croatian companies belonging to the stakeholder categories identified and categorized by the Project in activity 3.6. The result was a qualitative - quantitative survey exploring how innovation is prioritized, managed and measured within business departments, giving insight into the opportunities and top challenges that businesses face when driving innovation as part of their development strategy.

The survey focused on business adoption of innovation through new and improved products and services, investments in different types of innovation, changes in business structures, management and marketing innovations. The survey also asked businesses about the drivers motivating them and the barriers inhibiting them.

Finally, the survey investigated the interest in Adrireef project activities and in the development of potential synergies and collaborations.

Methods of Administration

Taking into due account the Project resources, time and, above all, the research objectives, the Partnership decided to create an electronic questionnaire, developing a Google Module provided in English, Italian and Croatian language. Each Project Partner sent the link to the questionnaire to the selected stakeholders via newsletter or direct invitation.

The survey was made available for 45 days, from October 28th until December 11th 2020 and was addressed to stakeholders operating in the main blue economy sectors: sport diving, professional diving, sport fishing, professional fishing and aquaculture. The choice of different business sectors was possible thanks to the “Other” field option too.

Since the questionnaire was voluntary and self-administered, the order, number and type of questions was carefully constructed with the use of short sentences and a simple and direct vocabulary. The set included 22 questions ordered in such a way to catch the respondent's attention.

In order to reduce nonresponse and to reach the selected target, the following strategies were implemented:

- **advance email/phone call** - a short email or, preferably, a short phone call was done in advance to announce the respondents about the upcoming survey

- **short introduction** - the email with the survey included a short introduction about the project
- **respondent-friendly questionnaire** - the questions were direct, brief and easy to respond to, the full questionnaire taking only a few minutes to be filled in
- **follow-up** - PPs sent at least two reminders before the survey expiry
- **communication** - information on the survey were conveyed via Adrireef social media pages and website for the entire period of the survey

Sampling design

The questionnaire was structured by taking into consideration the characteristics of the businesses operating in the Blue economy sector of the Adriatic Sea and the results of Adrireef project activity 3.5.

After the construction phase, the pre-test phase began. The pre-test was carried out in a qualified way, through an open discussion among the experts of the competent Project Partners, enabling the release of a refined tool.

In its final version, the survey included one general information section and three specific content sections:

- *Section I: General Information*
- *Section II: Approach to Innovation in the period 2017-2019*
- *Section III: Strategies for business development*
- *Section IV: Instruments for innovation*

The issues tackled in sections II, III and IV relate to strategic decisions. It is important for Adrireef to be able to grasp the different strategies adopted for the product, the market or both, trying to understand which ones were the most rewarding. In a quickly changing world, being up-to-date and innovative is undoubtedly one of the crucial elements of the economic system: the goal of these sections was then to grasp the strategic effects that innovation produced in the past three years, as well as the strategies and the planned instruments to be adopted in the future.

All four sections included two different types of questions: short answer and multiple-choice questions. Short answer questions allow the stakeholders greater flexibility, but they are more difficult to record and score. Therefore, the questionnaire mainly used multiple-choice questions that can be easily scored and coded for the final project report.

Data collection and processing

The data collection process is a challenging task involving many issues to take into careful consideration before data collection and use.

From November 28th to December 11th 2020, 26 businesses (17 from Italy, 8 from Croatia and 1 from Greece) filled in the survey.

All interviewees provided complete and usable answers. Hence, the main effort of data processing was to check all survey replies and provide interesting visualizations for a comparative analysis of the various business sectors. In addition, the analysis went through Italian and Croatian data separately and compared the two systems in the final paragraph.

Moreover, the aim of the analysis was to extract and highlight the most useful aspects for the progression of the Project's activities involving, or addressed to, the stakeholders.

Analysis of findings from Italy

Profile of the interviewees

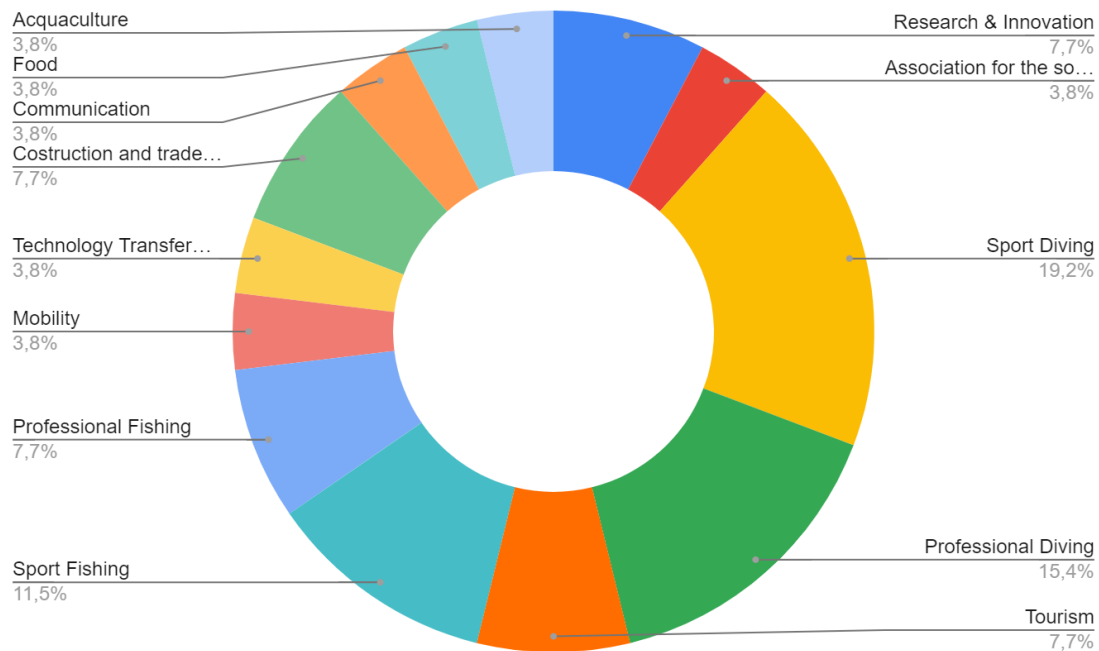
The first survey section, thanks to a series of multiple-choice questions, defined the general profile of the collected sample. The 17 Italian businesses that answered the questionnaire were mainly founded after the year 2000. Only 7 out of 17 were born before 1996, the majority of which operating in the diving and fishing sectors (that is 70% of the businesses operating in these sectors).

The analysed sample represents, overall, 13 business sectors linked to the Blue Economy. It is interesting to point out that 4 out of 17 interviewees represent multiple sectors, since they operate at the same time in diving and fishing both at professional and sport level.

Table 1_Year of foundation

<i>Business Name</i>	<i>Business Sector</i>	<i>Year</i>
	Communication	1974
	Diving and fishing	1976
	Aquaculture	1983
	Tourism	1990
	Sport diving and fishing / tourism	1993
	Sport diving	1995
	Sport/professional diving and fishing	2000
	Construction	2000
	Technological transfer	2002
	Association for diving/archaeology and environment	2003
	Food	2004
	Sport and professional diving / trade	2009
	Professional Diving	2012
	Research & innovation (Blue Economy innovation promotion)	2019
	Research & innovation (incubator)	2019
	Mobility	2020

Table 2_Business sectors



As already expected because of the results of the stakeholders' analysis (act.3.5), the sample is mainly composed by microenterprises: those operating in the diving and fishing sector all declared less than five employees. Still, even some medium and big enterprises are represented, in particular in the *Research & Innovation* sector as well as in the *Tourism* one.

Table 3_Number of employees

N. of employees	%	% by sector
More than 100	11.7%	100% Research & Innovation
From 50 to 100	5.8%	100% Tourism
From 15 to 50	11.7%	50% Food 50% Association
From 5 to 15	17.6%	33% Professional diving

Less than 5	47%	33% Communication
		33% Tech transfer
		33% Sport diving
		26% Professional diving
		20% Sport fishing
		6% professional fishing
		6% Aquaculture
		6% Construction and trade

It is also interesting to notice that in the analysed sectors, women are very poorly represented, with more than 47% of businesses declaring less than 5% of female employees. Women representation changes consistently when it comes to *Research & Innovation, Tourism, Mobility and Communication*. Again, the difference among various business sectors is evident.

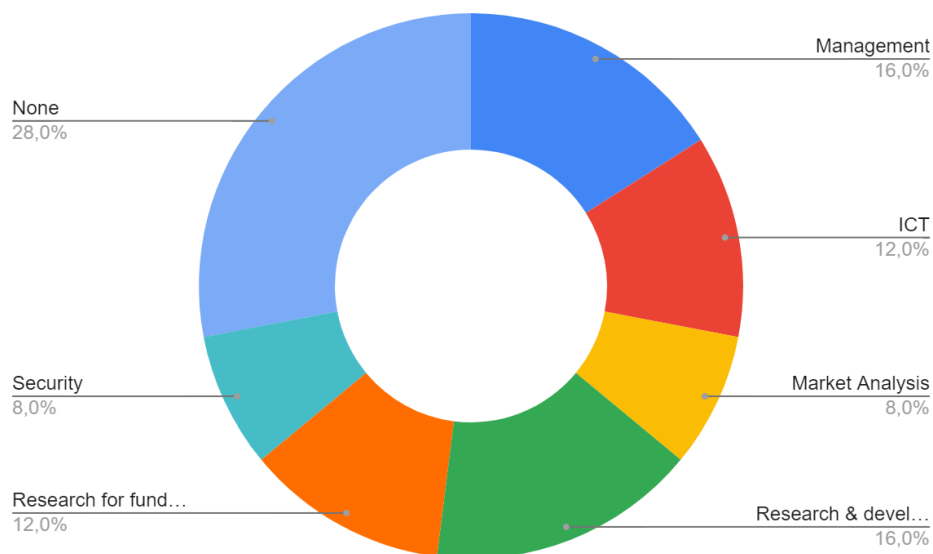
Table 4_Percentage of female employees

Less than 5%	Sport and Professional Diving
	Sport and Professional Fishing
	Construction and trade of diving equipment
	Food
	Aquaculture
From 5 to 20%	Association for Diving, Archaeology and Environment
From 20 to 50%	Technology Transfer and Quadruple Helix for Digital and Sustainable Development
More than 50%	Research & Innovation
	Tourism
	Mobility
	Communication

Approach to innovation in the three-year period 2017-2019

More than 64% of the interviewees financed training courses for their employees. The highest rated subjects being *Management* and *R&D* (16%), followed by *ICT* and *Research for Funding* (12%):

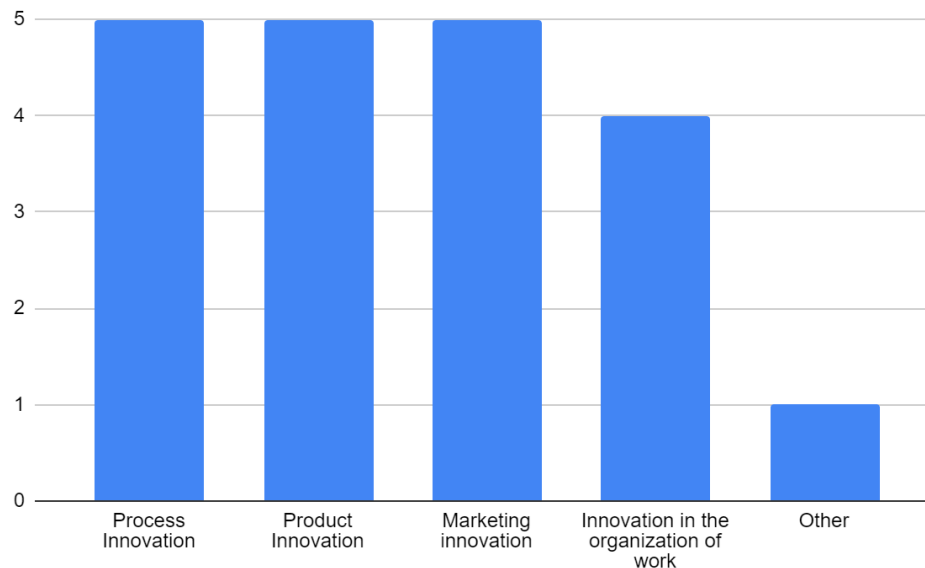
Table 5_ Training courses attended



Concerning the 28% who did not attend any course, the *Lack of Time* and of *Dedicated Employees* are the highest rated barriers to attendance. In addition, some businesses detect an *Inadequate Offer* in their area, while 11% consider training unnecessary.

When it comes to investments in innovation, more than 58% of the interviewees invested in some kind of innovation in the three-year period 2017-2019. Investments were made quite evenly in all the represented business sectors (except for *R&I* and *Aquaculture*) and in the four identified innovation types:

Table 6_Type of innovation financed in the period 2017-2019



It is interesting to notice that those companies investing in innovation usually invested in two or more innovation types too, especially in the first three categories.

Overall, these investments seem to have brought a general improvement in the *Internal Organization* (60%) and in the *Quality of the Products and Services* (80%) to the businesses that adopted them. To be noticed too are the benefits on the global revenue (30%) regarding the *Diving, Trade and Tech Transfer* sectors.

Only 20% of the companies innovated in order to have a return in terms of environmental sustainability (*R&I* and *Food* sectors) and only 30% invested in order to approach new niche markets (10% *diving*, 10% *tourism* and 10% *construction and trade*).

Moreover, investments in innovation seem to have produced positive effects on employment opportunities, since 50% of the businesses investing in innovation declared an increase in the number of employees in the last three-year period too.

Strategies for business development

This section of the survey investigated the strategies developed for the business improvement. In the simplest terms, business improvement can be summarized as the ideas, initiatives and activities that help making a business better. This includes increasing revenues, growth in terms of business expansion and profitability by building strategic partnerships and making strategic business decisions.

Successful business development affects every department of a company, including sales, marketing, manufacturing, human resources, accounting, finance, product development and vendor management. Besides, business developers should be fully aware of the social and economic environment: risks, new market opportunities, possibilities for expansion, competitor developments and the latest sources of innovation.

Concerning the barriers that can negatively affect business development, the highest rated in all the business sectors are the *Difficulty in Finding or Attracting Qualified Human Resources* (36%), followed by the *Strong Market Competition* (20%).

The diving sector, in particular, suffers from changing weather conditions and obsolete technologies. Aquaculture is strongly affected by climate changes determining a decrease in the number of fish and an increase of biotoxines in seawater.

Finally, both the diving and fishing sectors, underlined the lack of development strategies that could help facing the abovementioned risks.

Table 7_ Which are the most critical aspects currently affecting your business sector?

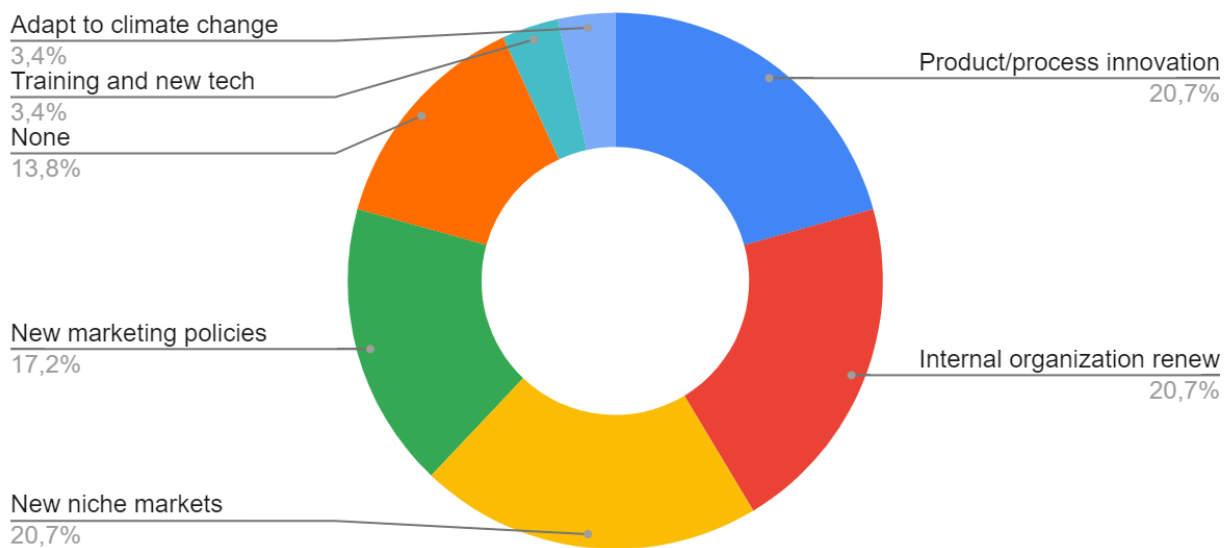
<i>Business sector</i>	<i>%</i>	<i>Risk factor</i>
Sport diving	28.5	Weather conditions
	28.5	Obsolete technologies
	28.5	Find qualified human resources
	14.2	Lack of development strategies
Professional diving	40	Find qualified human resources

	20	Obsolete technologies
	20	Strong competition
	20	Lack of development strategies
Sport and Professional fishing	33	Find qualified human resources
	33	Lack of development strategies
	33	Obsolete technologies
Aquaculture	33	Obsolete technologies
	33	Strong competition
	33	Environment: bio toxins, climate change
Research & innovation	33	Lack of development strategies
	66	Attract qualified human resources
Tourism	33	Lack of development strategies
	66	Find qualified human resources
Food	100	Attract qualified human resources
Equipment construction and sale	100	Strong competition
Technological transfer and quadruple helix	50	Strong competition
	50	Find qualified human resources
Communication	50	Strong competition
	50	Attract qualified human resources
Mobility	100	Find qualified human resources
Association for diving/archaeology/environment	100	Lack of financings

As for the medium term development strategies, the percentage of businesses declaring the total absence of a development policy reaches 14% and is broadly consistent especially in the two following sectors: *Mobility* (100%) and *Diving* (42,8%).

As shown below, the main investments were planned in *Product/Process Innovation*, in the *Renewal of the Internal Organization*, as well as in the *Approach to New Niche Markets*.

Table 8_Development strategies for the future



Here below is shown the distribution of future development strategies by business sector.

Table 9_Which are the development strategies your Company is planning to adopt in the next 3 years?

Business sector	%	Development strategy
Sport diving	50	None
	16	Internal organization renewal
	16	Product/Process innovation
	16	Explore new niche market
Professional diving	22	Product/process innovation
	22	New internal organization

	22	Explore new niche markets
	22	New marketing policies
	11	None
Sport and Professional fishing	16	Internal organization renewal
	16	New marketing policies
	33	Product/process innovation
	33	Explore new niche markets
Aquaculture	100	Adapt to climate change
Research & innovation	50	Explore new market niche
	50	Internal organization renewal
Tourism and Food	33	Product/process innovation
	33	Internal organization renewal
	33	New marketing policies
Equipment construction and sale	100	Product/process innovation
Technological transfer and quadruple helix	50	Explore new market niche
	50	New marketing policies
Communication	50	Product process innovation
	50	Internal organization renewal
Mobility	100	None
Association for diving/archaeology/environment	100	Training and new technologies

For what it may concern the sectors considered as the most strategic ones, the interviewed businesses cited a variety of them but it is interesting to notice that *Environmental Sustainability* is the top-cited one, followed by *ICT*.

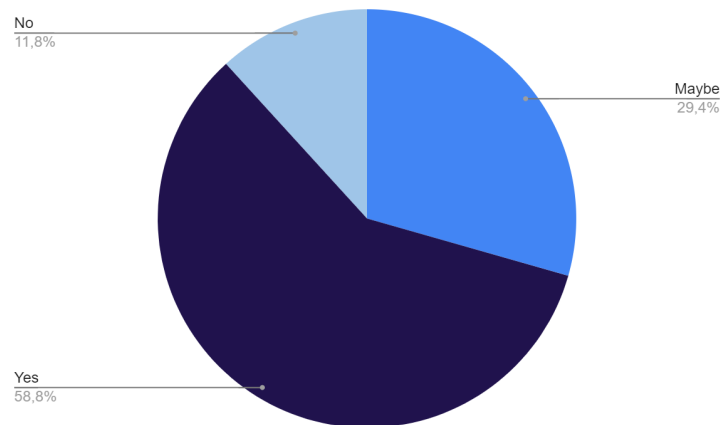
Table 10_ Which are the sectors your Company considers as more strategic for the next 3 years? Please list them

<i>Business sector</i>	<i>Strategic sectors</i>
Research and Innovation	RIS3 21-27, Horizon Europe, Environmental sustainability
Ass. for Diving, Archaeology and environment	Training
Sport diving	Environment, ICT, Create new artificial reefs
Professional diving	Tourism, Training, Environmental sustainability, ICT, Nautical tourism
Tourism	Environmental sustainability, People inclusion
Professional fishing	ICT
Sport fishing	Daily nautical tourism
Mobility	Education, Infrastructures
Technological transfer and quadruple helix	Explore new market niches
Equipment construction and sale	Create new equipment
Communication	Social media marketing, Online newspapers
Food	Ho.re.Ca. Retail, Direct consumers and catering
Aquaculture	Compete on more markets

The collected data show that the needs highlighted by the diving and fishing sectors are totally in line with the project objectives: to improve tourism and nautical tourism and to explore new possible sites, such as new reefs, while preserving the environment.

Furthermore, almost 60% of the interviewees declared their interest in *Approaching New Niche Markets*. While only 11% (all in the sport diving sector) is not interested.

Table 11_Interest in approaching new niche markets



Instruments for innovation

A good innovation strategy has to be supported by the right competences. Economy is turning faster and faster and acquiring new competences is becoming more and more important for companies.

The interviewed businesses listed a number of competencies they consider fundamental for their future development. The highest rated ones are *Management and Administration* (52.9%), followed by *Marketing* (47%) and *Foreign Languages* (41%) to confirm the necessity to update the companies' internal organization already expressed in the previous survey section (see tables 6 and 8).

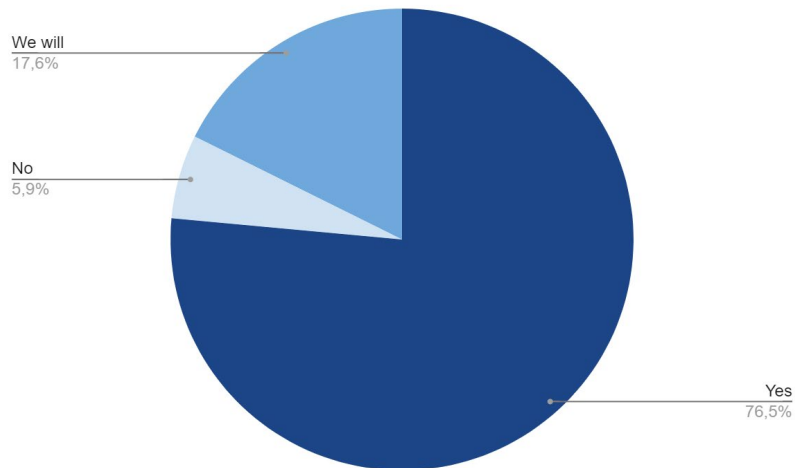
In addition, the focus on marketing and foreign languages reflects the need to adjust the internal skills to an international market and international clients.

Table 12_ Which are the most important skills for your upcoming development strategies?

Business sector	Most needed competences
Research and Innovation	ICT, Marketing, Management and administration
Ass. for Diving, Archaeology and environment	Management and administration
Diving	Foreign languages, Marketing, Knowledge of the economic ecosystem, Management and administration
Fishing	Foreign languages, Marketing, Management and administration, Knowledge of the economic ecosystem
Tourism	Foreign languages, Marketing, ICT, management and administration
Mobility	Foreign languages, ICT, management and administration
Technological transfer and quadruple helix	Marketing, Management and administration, Knowledge of the economic ecosystem, ICT
Equipment construction and sale	Marketing
Communication	Knowledge of the economic ecosystem, Management and administration
Food	Foreign languages, marketing, Knowledge of the economic ecosystem
Aquaculture	Adaptation to climate change

An extremely positive datum concerning the investments for the future is represented by the will to *Invest in Reducing the Environmental Impact* of one's own business activities (more than 76%).

Table 13_ Is your company investing to reduce its environmental impact?

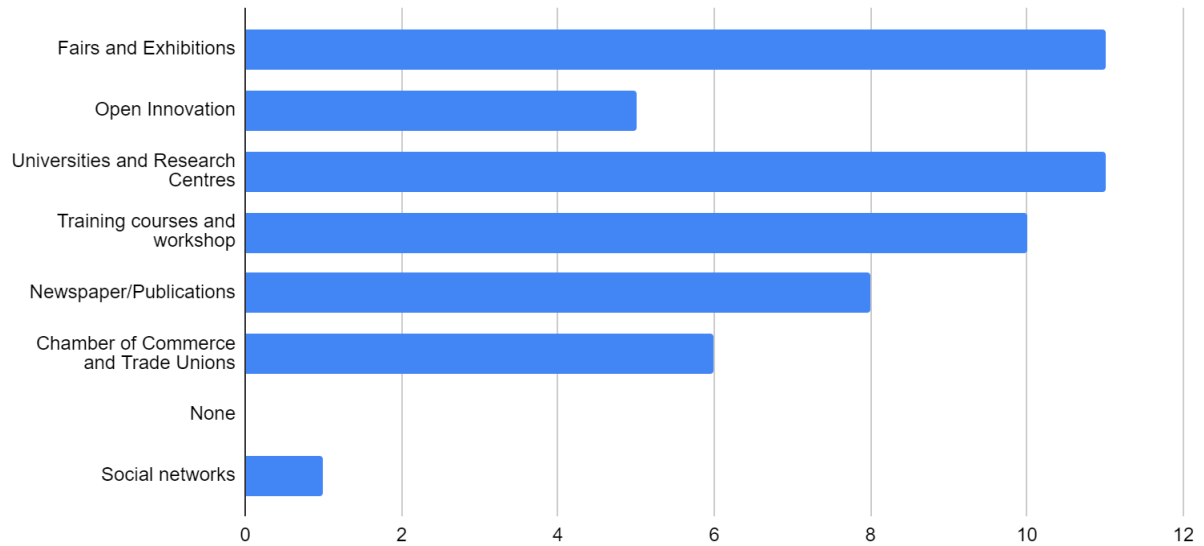


Another key factor when implementing a business development strategy is to be updated on emerging innovation trends and subsequently integrate this knowledge into daily operations.

Among the interviewed businesses, *Fairs and Exhibitions* and *Contacts with Universities and Research Centres* are the most rated strategies to keep updated, with a percentage of 64.7% each. *Training Courses* and *Workshops* follows with 58.8%. *Open Innovation Processes* do not score a very high rate, however it is interesting to notice they were chosen by various sectors. The approach to *Open Innovation* from *Research and Innovation* and *Technological Transfer* companies is quite predictable, but the interest from *Professional Diving* and *Tourism Businesses* is definitely unexpected and a clear sign of innovative approach.

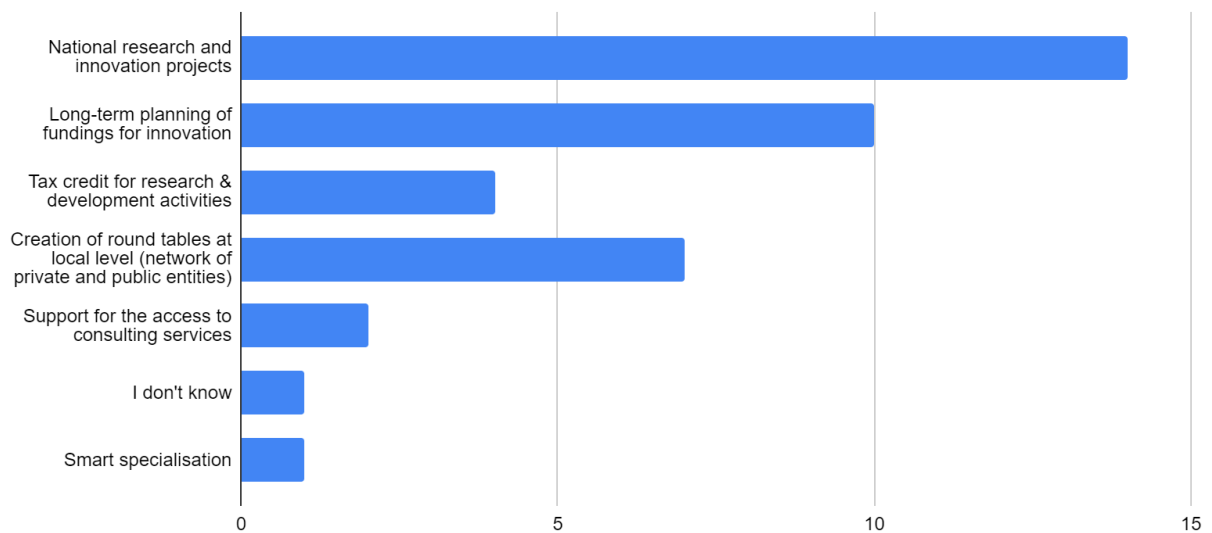
As shown below, in general, there is a very poor use of *Social Networks* and *Internet*, while *Publications* obtain a very positive rate against any normal expectation.

Table 14_ Which channels does your Company use to be up-to-date with your sector's innovations?



Another important aspect for the Adrireef project is to understand whether public intervention could help fostering innovation in the Blue Economy, and how.

Table 15_ Which of the following public policy measures could facilitate the propensity for innovation of your Company?

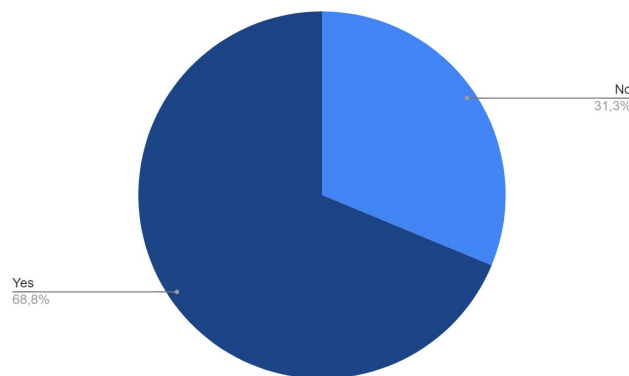


Clearly, *National Research and Innovation Projects* are the highest rated choices by all sectors (82%), followed by *Long-Term Planning of Funding* with a percentage of 58.8%. There is also a widespread interest in the creation of *Round Tables at Local Level*, while interest in *Tax Credit* is very low.

Data show there is apparently no interest neither in *Smart Specialisation* (only one answer in the *Research & Innovation* sector) nor in the *Support for the Access to Consulting Services* (only one answer in the *Communication* sector). These data are precious for the Project elaboration of the guidelines that will be published as a final project output.

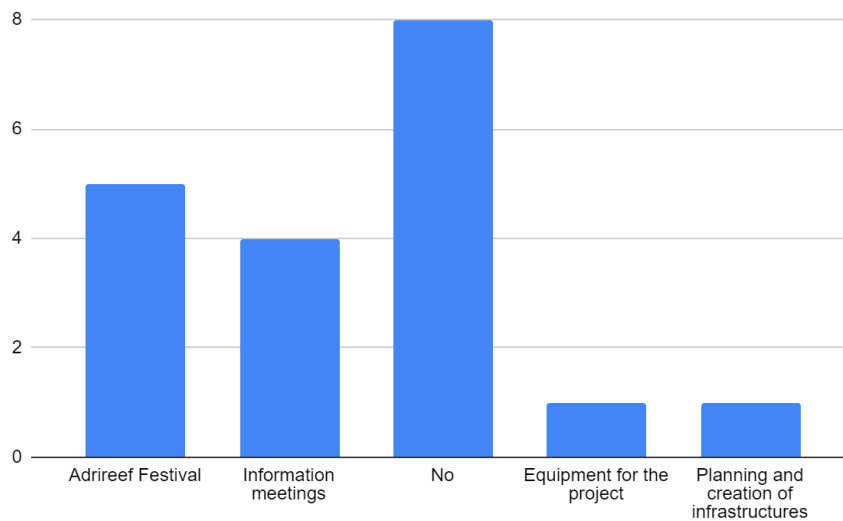
The survey continued with a question strictly related to the exploitation of natural and artificial reefs in the Adriatic Sea. Almost 70% of the businesses declared they consider it as an opportunity for development. On the other hand, *Research & Innovation, Mobility* and *Food* sectors declared 100% uninterested, together with only one actor working in the professional diving sector.

Table 16_ Has your Company ever considered exploring new market opportunities linked to the sustainable exploitation of the artificial and natural Adriatic reefs?



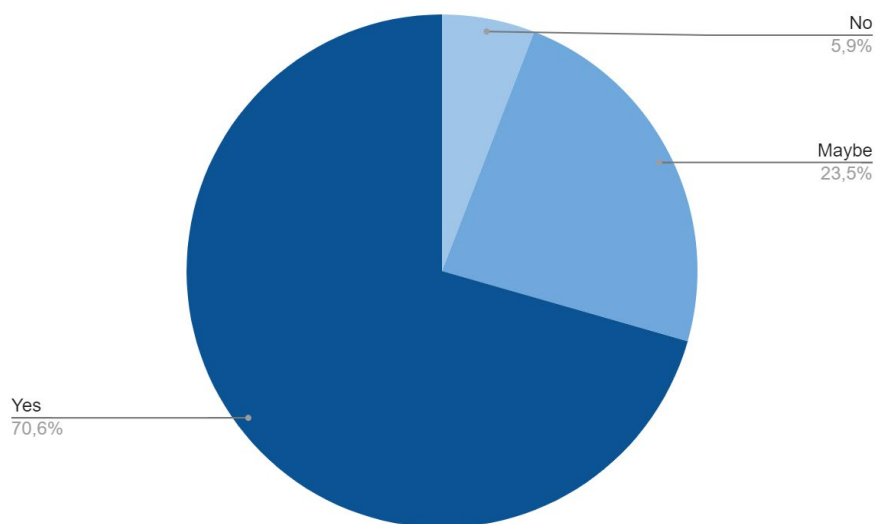
The very last part of the survey explored the possible relations among stakeholders and the Project. More than 47% of the interviewees, never had contacts with Adrireef, while the rest got involved either in the *Adrireef festival* (29%) or in *B2B Meetings* carried out under activity 3.5 (23.5%).

Figure 17_Has your company already been involved in the activities carried out by ADRIREEF?



Even if almost half of the interviewees never got involved in the project, it is interesting to detect that 70% of them declare the interest in receiving support from Adireef.

Table 18_Would your Company be interested in receiving free support from Adireef in developing innovative actions in your sector?



As for the desired type of support, the survey collected a number of different answers, obviously not comparable and each one strictly connected to the pertinent sector/innovation.

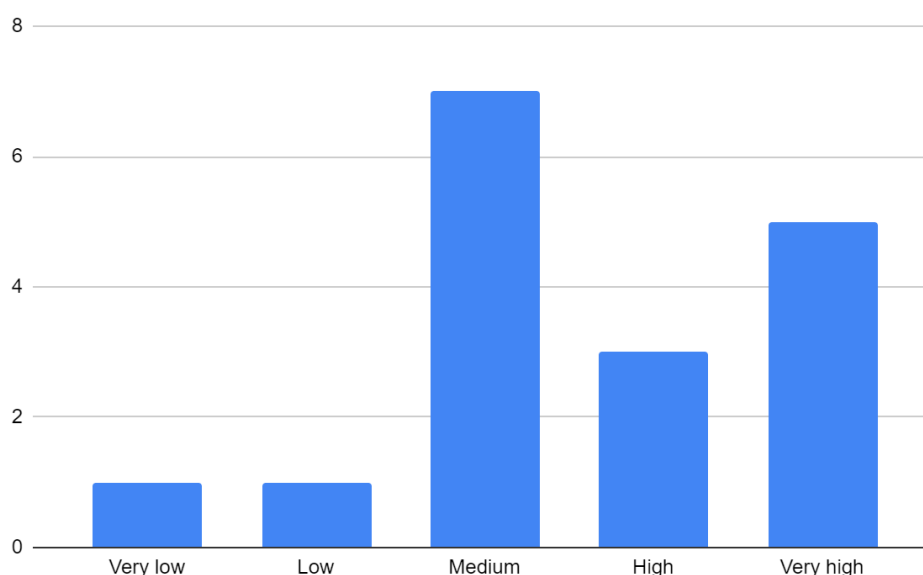
Table 19_If yes, please specify which innovation needs you'd like to develop

Business name	Business sector	Type of innovation
	Research and Innovation	Develop synergies with the Cluster BIG and with the MED projects on the Blue Growth: MISTRAL, Blue bio med
	Association for Diving, Archaeology and Environment	Not specified
	Sport Diving	New artificial reefs
	Professional Diving	Not specified
	Research and Innovation	Synergies with the MISTRAL project
	Tourism	Innovations that could attract more tourists
	Sport and Professional Diving and Fishing	Not specified
	Mobility	Not interested
	Technological Transfer and Quadruple Helix	Sustainable tourism, development of virtual diving tours, 3d training on underwater ecosystem
	Equipment construction and sale	Underwater video surveillance
	Sport and professional diving, equipment sale	Not specified
	Sport diving	Divulgation
	Professional diving, Sport and professional fishing	Fish repopulation and promotion of international championship
	Sport diving and fishing and Nautical Tourism	Technology, slow tourism

Communication	Not specified
Food	Marketing and Communication at scientific level
Aquaculture	Those already under development

The survey ended with a very last question investigating the viewpoint of the sample on Adrireef project activities and on their possible positive impacts on Blue Economy needs

Table 20_ In your opinion, to what extent are ADRIREEF project activities able to contribute to the needs of your business sector at country level?



The results are very positive, with 90% considering Adrireef impact from medium to very high.

Analysis of findings from Croatia

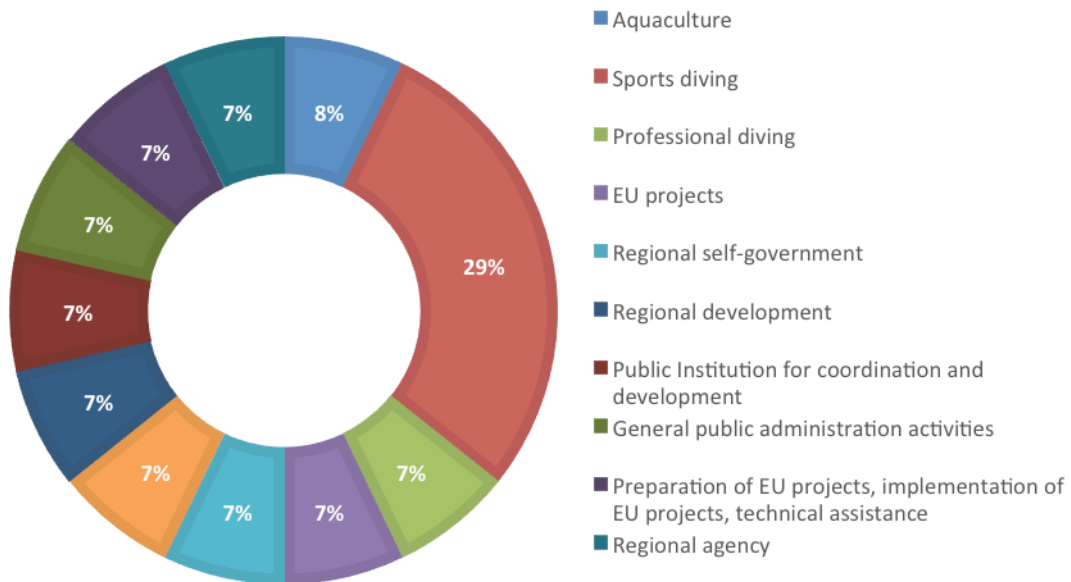
Profile of the interviewees

The first survey section, through a series of multiple-choice questions, defined a general profile of the collected sample. In total eight Croatian businesses answered the questionnaire. They were mainly founded after year 2000 and only 3 out of 8 date back to the 90s. Overall, they represent seven business sectors linked to the Blue Economy.

Table 21_Year of foundation

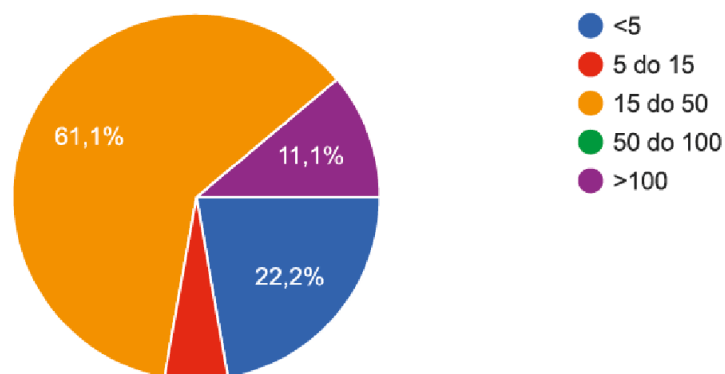
<i>Business Name</i>	<i>Business Sector</i>	<i>Year</i>
	Fishery local action group	2016
	Sports Diving	2015
	Public Institution for coordination and development	2011
	Aquaculture / Sports Diving	2009
	Sports Diving	2006
	Regional self-government	1993
	Sports Diving / Professional Diving	1992
	Institute of Oceanography and Fisheries	1930

Table 22_Business sectors



As expected, the sample is mainly composed by small and micro enterprises from the Croatian side too: more than 22% have less than five employees, while the majority declared a range going from 15 to 50 employees. Still, even some medium enterprises are represented, in particular in the *Research & Innovation* sector as well as in the *Governmental Agencies*.

Table 23_Number of employees



It is very interesting to notice that women are well represented in the analysed sample, with more than 44% of the companies declaring more than 50% of female employees. Only 11% of them declared to have less than 20% of women in the organization.

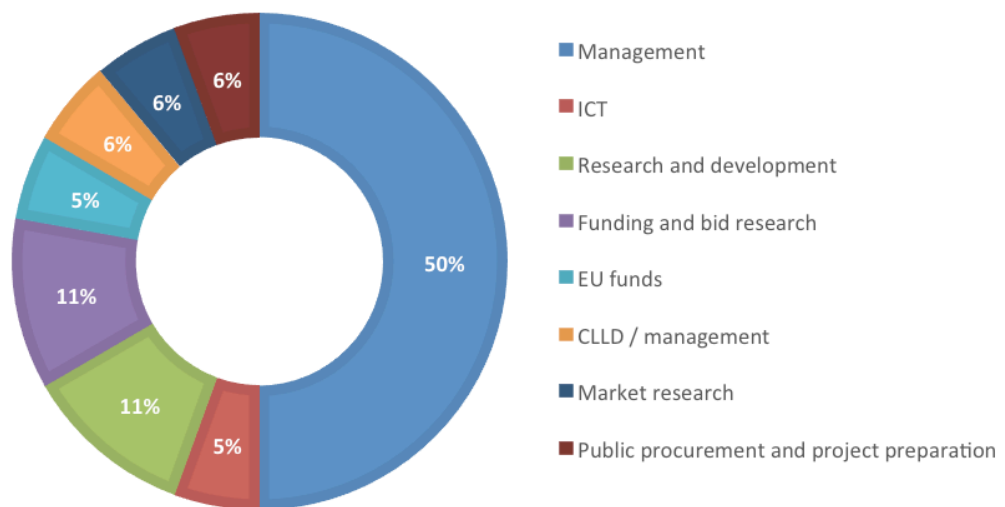
Table 24_Percentage of female employees

Less than 5%	Sport and Professional Diving	5.6%
	Sport Diving	5.6%
From 5 to 20%	Public Institution	
	Sport Diving	44.4%
From 20 to 50%	Aquaculture	
	Research & Innovation	
More than 50%	Regional government	
	Fishery local action group	44.4%

Approach to innovation in the three-year period 2017-2019

More than 83% of the interviewees financed training courses for their employees. The highest rated subject is *Management* (69.2%), followed by *R&D* and *Research for Funding* (15.4%)

Table 25_Training courses



Concerning the 16.7% who did not finance any course, the *Lack of Time* is the highest rated barrier to attendance (66.7%). Moreover, some companies detect an *Inadequate Offer* in their area (33.3%).

When it comes to investments in innovation, only 33.3% of the interviewees invested in some kind of innovation in the three-year period 2017-2019: 50% invested in *Work Organization*, while 25% in *Product Innovation* in the scientific sector. Finally, at Regional institutional level, there has been an investment in promoting innovation in the Blue Economy sector.

However, the general approach to innovation of the sample is extremely low, with more than 66% declaring no investment at all in innovation.

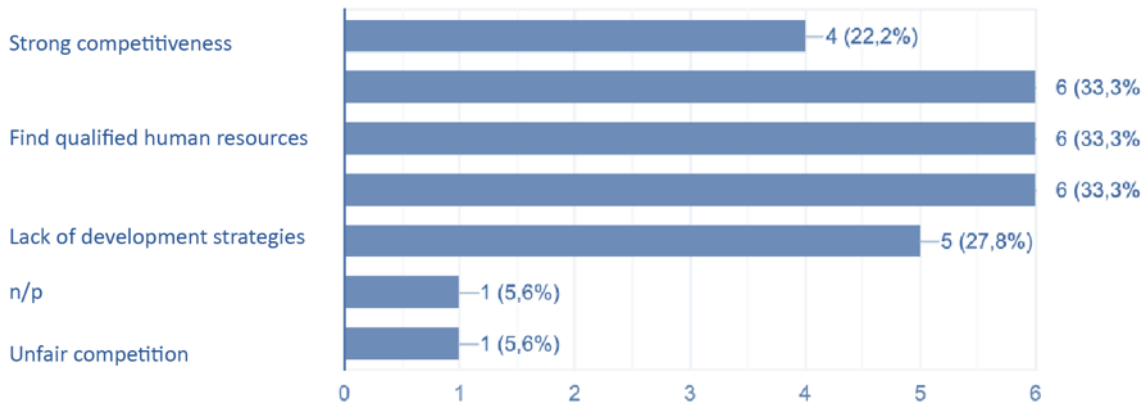
Despite these data, 83.3% of the interviewees recorded an increase in the number of employees in the analysed three-year period (2017-2019).

Strategies for business development

This section investigated the strategies developed for the improvement of the business. In the simplest terms, business development can be summarized as the ideas, initiatives, and activities that help making a business better. This includes increasing revenues, growth in terms of business expansion and increasing profitability by building strategic partnerships and making strategic business decisions.

Successful business development affects every department within a company, including sales, marketing, manufacturing, human resources, accounting, finance, product development and vendor management. Business developers should be fully aware of the social and economic environment too: risks, new market opportunities, possibilities for expansion, competitor developments and the latest sources of innovation.

Table 26_Barriers to business development

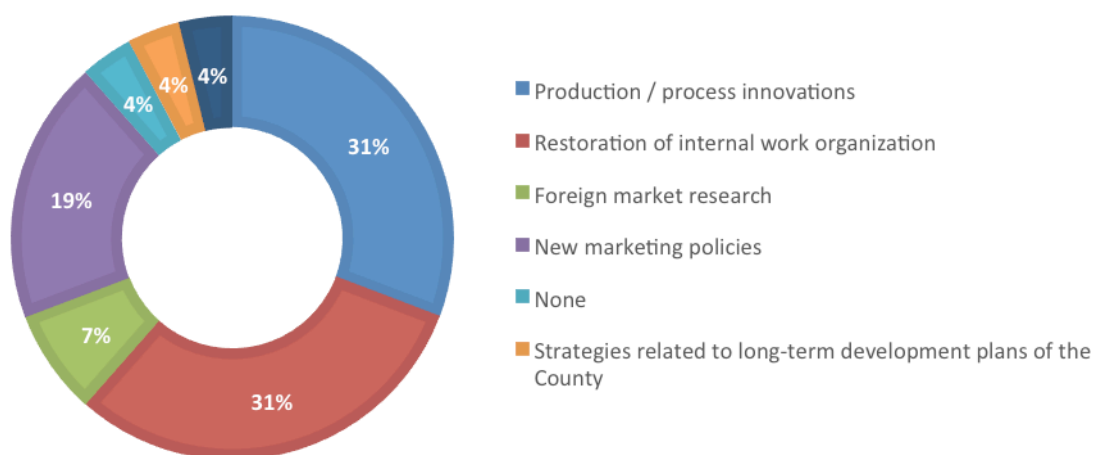


As for the barriers that can negatively affect business development, the highest rated ones in all the business sectors were the *Complexity of Finding Qualified Human Resources* and the *Lack of Development Strategies at Organizational Level*.

As for the development strategies in the medium term, the percentage of businesses who declared the total absence of a development policy reached only 5.6%. As shown below, main investments are planned in the *Product/Process Innovation*, in the *Renewal of the Internal Organization* as well as in *Adopting New Marketing Policies*.

It is relevant to point out that no one declared an interest in *Exploring New Niche Markets*.

Table 27_Strategies for development

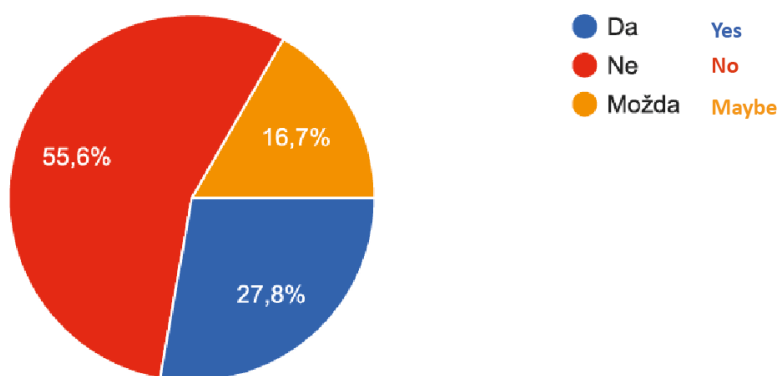


Concerning the sectors considered as most strategic for the future, the interviewed businesses cited a variety of different subjects:

1. *Health tourism*
2. *IT*
3. *Organic agriculture*
4. *Food production*
5. *Economy (strengthening the economy through research and innovation)*
6. *Fisheries*
7. *Agriculture*
8. *Recycled materials processing*
9. *Sports tourism*
10. *Fish processing & breeding*

The very poor interest in innovation was confirmed once again by the results of the question concerning the general interest in investing and exploring new niche markets:

Table 28_Interest in exploring new market niches



Only 16.7% of the interviewees declared an interest in expanding their business in new sectors/areas, while more than 55% is completely disinterested.

Instruments for innovation

A good innovation strategy has to be supported by the right competences. Economy is turning faster and faster and acquiring new competences is becoming more and more important for companies.

The interviewed businesses listed a number of competencies they consider fundamental for their future development. The highest rated ones are *Management and Administration* (72.2%), followed by *Knowledge of Local Economic System* (66.7%).

The focus on a potential international market and on a possible technological development is quite poor, with only 27% declaring an interest for *Foreign Languages* and 33% for *ICT*.

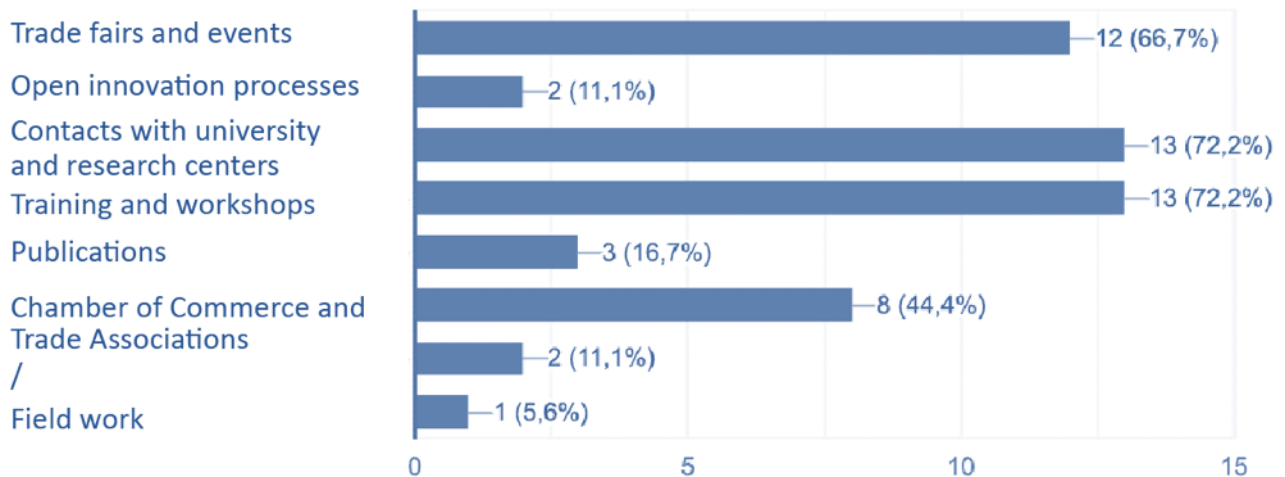
An extremely positive datum concerning investments for the future is represented by the *Will to Invest in Reducing the Environmental Impact* of one's own business activities (almost 40%).

Table 29_ Is your Company investing to reduce its environmental impact?



Another key factor for the implementation of a business development strategy is to be updated on emerging innovation trends and subsequently to integrate this knowledge into daily operations. According to the interviewees, the most useful tools to be updated are *Fairs and Exhibitions, Contacts with Universities and Research Centres, as well as Training and Workshop Opportunities*.

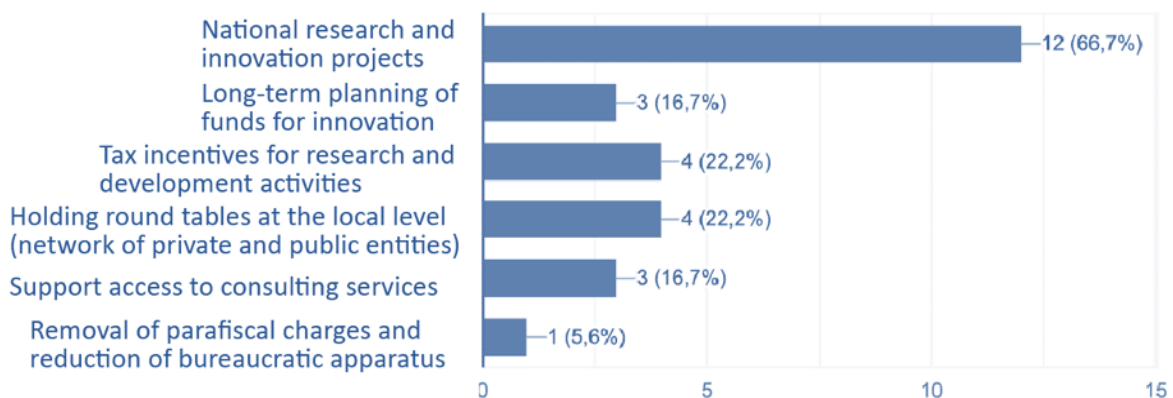
Table 30_ Which channels does your Company use to be up-to-date with your sector's innovations?



As shown above, in general, there is no use of *Social Networks* and *Internet*. Furthermore, there is no spread of *Open Innovation Processes*.

Another key aspect for the Adrireef project is to understand whether public intervention and what kind of intervention could help fostering innovation in the Blue Economy.

Table 31_ Which of the following public policy measures could facilitate the propensity for innovation of your Company?



Clearly, *National Research and Innovation Projects* is the highest rated choice in all sectors (66.7%). There is also a widespread interest in the creation of *Round Tables at Local Level*, as well as in *Tax Incentives*. Data show there is apparently no interest at all in *Smart Specialisation* and a low interest in the support for the access to *Consulting Services*. Considering the very low propensity to innovation of the Croatian sample, these data are particularly precious and have to be taken into consideration while drafting the final Project guidelines.

The survey continued with a question strictly related to the exploitation of natural and artificial reefs in the Adriatic Sea. The answer seems particularly positive for the project purposes since more than 70% of the interviewed companies consider artificial reefs as an opportunity for development.

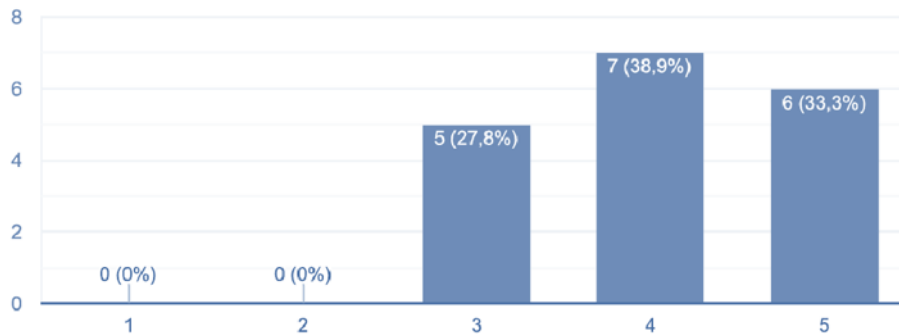
Figure 32_ Has your Company ever considered exploring new market opportunities linked to the sustainable exploitation of the artificial and natural Adriatic reefs?

	Yes and No
	Yes
	Yes
	Yes
	No
	No
	Yes
	Yes

The very last part of the survey explored the possible relations among stakeholders and the Project. 90% of the sample had contacts with Adrireef in the past, mainly through *Information Meetings* (55%) and the *Participation to the Adrireef Festival* (33%) promoted by the Partnership.

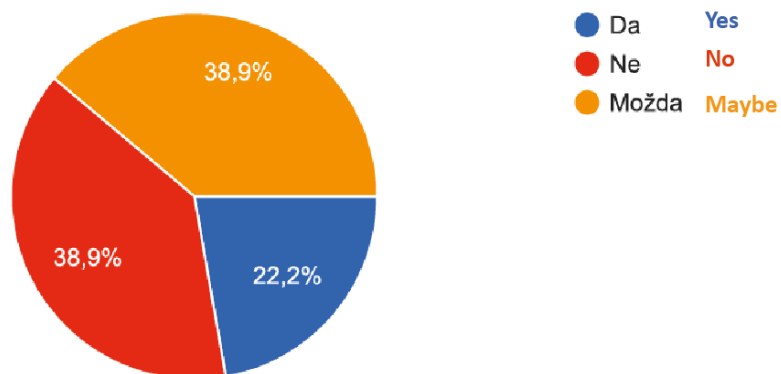
It is interesting to detect that among the interviewees there is a widespread trust in the Project activities effectiveness:

Figure 33_ In your opinion, to what extent are ADRIREEF project activities able to contribute to the needs of your business sector at country level?



Despite that, only 22% of the interviewees are interested in receiving free support from the project, while almost 39% are not.

Figure 34_ Would your Company be interested in receiving free support from Adrireef in developing innovative actions in your sector?



Nevertheless, it could be interesting for Adrireef project to work on the 38% declaring a possible interest, even if only three stakeholders specified the possible innovation sectors they would like to develop with a possible project support:

Figure 35_please specify which innovation needs you'd like to develop

	We are project partners, so it is an innovation from the ADRIREEF project
	Rearing juveniles on land, setting up and managing artificial reefs locally
	Protection of diving sites Underwater parks

Analysis of findings from other countries

Profile of the interviewee

The project collected one questionnaire from Greece too. XXXXXXXXXXXXXXXXXXXXXXXX, an applied research company, filled in the survey form.

It is a microenterprise, with less than five employees, mainly male, founded in 2008. Their top three product categories, in terms of revenue, are *Habitat Mapping* and *Biodiversity baseline surveys*, while the mainly offered services are *Remote Sensing Data Analysis* and *Scientific Diving*.

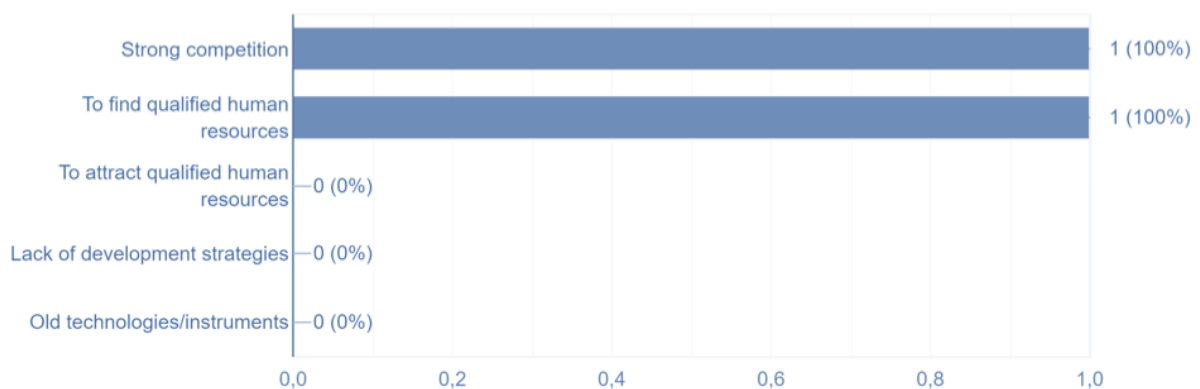
Approach to innovation in the three-year period 2017-2019

In the three-year period 2017-2019, no one of the employees took part in training courses, due to lack of time. Nevertheless, investments were made to innovate the work organization. According to the company, these investments produced a better internal organization, as well as an improvement in the quality of products and services. However, this was not enough to produce new job opportunities.

Strategies for business development

As for the barriers affecting the development of the relevant business sectors, two elements were listed: *Strong Competition* and the *Difficulty in Finding Qualified Human Resources*.

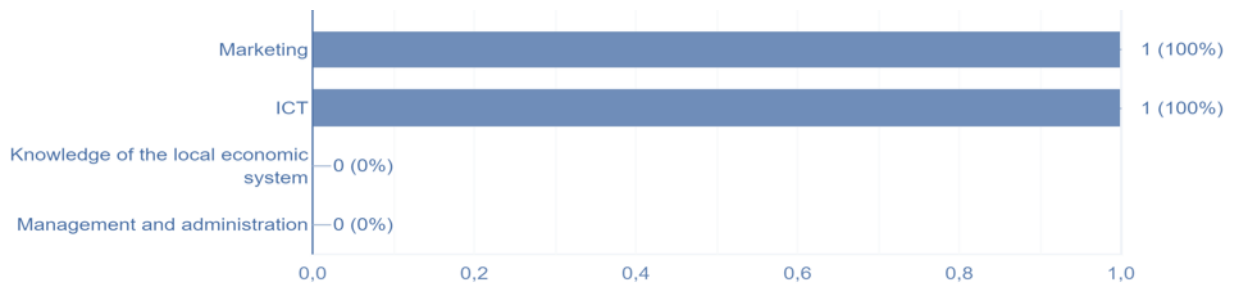
Figure 36_ Which are the most critical aspects currently affecting your business sector?



Concerning the planned development strategies for the future, the Company stated its will to *Invest in Product/Process Innovation* and to *Explore Foreign Markets*. In addition, the *Introduction of New Technologies* to put beside traditional approaches was indicated as a key element.

Then, to face the above listed challenges, the skills considered as the most strategic for development are *Marketing* and *ICT Competencies*.

Figure 37_ Which are the most important skills for your upcoming development strategies?



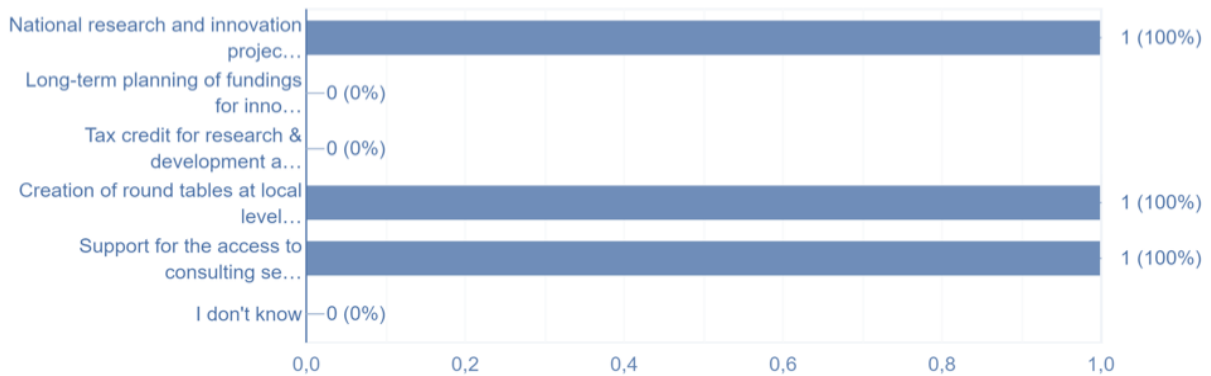
Finally, the Company declared its intention to invest to make its activities more sustainable for the environment.

Instruments for innovation

To be up-to-date with its sector innovation, the Company mainly uses two channels, strictly linked to the business sector: *Contacts with Universities and Research Centres* and *Publications*. Again, there is no mention of *Open Innovation Processes*.

As for public measures that could help improving approach to innovation, the Company showed an interest in several opportunities, most of them in line with Adrireef project activities and objectives.

Figure 38_ Which of the following public policy measures could facilitate the propensity for innovation of your Company?



In fact, even if the company never considered the possibility to exploit natural and artificial Adriatic reefs and even if it never had contacts with Adrireef before the survey, it considers the project activities highly affecting its business and is therefore very interested in receiving support from Adrireef to develop specific innovations. In particular, the company would like to develop a *Remote Sensing of Reef Systems Using Photogrammetry Workflows*.

Conclusions

The applied approach permitted to collect interesting and relevant information on a good number of stakeholders, thus enabling project PPs to acquire a deeper understanding of the project external environment. Nevertheless, even if representative, the reached sample is quite small, especially on the Croatian side, making it challenging to put results in a standard format and to enable a comparative analysis. However, a very promising input comes from the capacity of the project to cross national borders and to reach a stakeholder based outside the project countries.

The analysed sample is composed by micro and small enterprises. Medium enterprises are represented too, but they represent an extremely small percentage.

The aim of the survey was to analyse and measure the approach to innovation and the factors allowing companies operating in the Adriatic Blue Economy to maintain and develop competitiveness: almost 60% of the Italian sample can be classified as **innovation active**, while only 33% of the Croatian sample invested in some kind of innovation in the period 2017-2019. These data show that the Blue Economy in the Adriatic Sea needs a broader approach on the innovation development and on the potential of approaching new niche markets. Furthermore, it can be said that the whole sector needs to improve female representation, as well as investments in environmental sustainability and open innovation processes.

To be successful, companies state the need for adequate training courses giving them the opportunity to acquire the necessary competences to face the market: marketing strategies, ICT, foreign languages, etc.

Moreover, it emerges that the efforts of the private sector should be accompanied by public measures and the most awaited public measures from both countries private companies are:

- National research and innovation projects
- Round tables at local level
- Long-term planning of funding for innovation

The interest in national projects and local round tables show the will of a direct engagement. This is also confirmed by the fact that the majority of the interviewees hold in high regard Adrireef activities and their potential positive effects to the sector, with 90% considering this impact from medium to very high.

Finally, more than 50% of the total sample declared the interest in receiving support by Adrireef to develop some kind of innovation.

As an additional tool, the Partnership will have access to the single answers filled in the forms in order to evaluate the disaggregated data and to consult the single proposals.

The conclusions of the analysis are extremely important to improve the knowledge of the key actors and to design a strategy for successful stakeholder engagement. The collected answers also represent a fundamental indication for the drafting of the project guidelines, as well as for the targeting of the future interventions and approaches.