**DIGITAL INNOVATION**

Data fluidity increases  
Costs decrease  

Data can be **shared and manipulated instantaneously** on a huge scale and little cost, among any number of actors regardless of their location.

**TRENDS OF INNOVATION IN THE DIGITAL AGE**

- **Data as a key input for innovation**
- **Services at the heart of innovation**
- **Faster innovation cycles & time to market**
- **New collaboration needs & opportunities**

**IMPACT ON MARKET DYNAMICS**

- **Market Concentration**
- **Market Entry & Competition**

**DIFFERENCES IN CROSS SECTORAL DYNAMICS**

- **Agri-food**
- **Automotive**
- **Retail**

- Digital technology opportunities for innovation in products, processes & business models
- Data needs and challenges
- Digital technology adoption and diffusion trends

**IMPLICATIONS FOR INNOVATION POLICY**

- **Data access**  
  Provide conditions for data access for innovation, considering data diversity & concerns; develop markets for data

- **Agility**  
  Promote anticipatory, responsive policies; implement small scale policy experiments & mission-oriented programs.

- **Societal challenges**  
  Support digital innovation to serve social & environmental purposes; engage with citizens

- **Global context**  
  Collaborate internationally to frame policies in view of global markets

Changes are needed in all innovation policy domains