

State of innovation 2026



HIGHLIGHTS



AMBITION-CAPABILITY GAP

Revenue expectations exceed investment, systemization, and skills



INFORMALITY DOMINATES

Across strategy, governance, ideation, leadership, and measurement



CONCENTRATION RISK

Innovation depends on few people, few offerings, and limited budgets

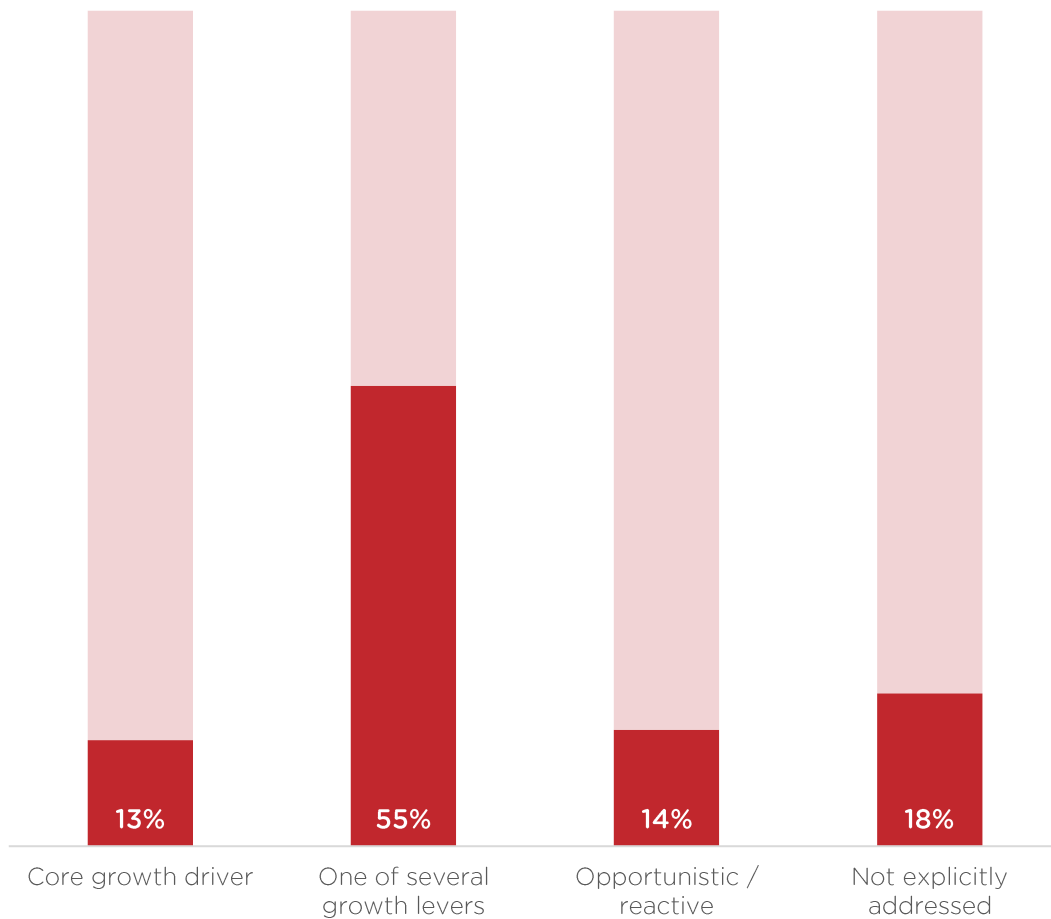


INCREMENTAL OUTPUT CEILING

Without stronger systemization, revenue impact remains modest

 Innovation is **expected to deliver growth**, but is not positioned as a core driver

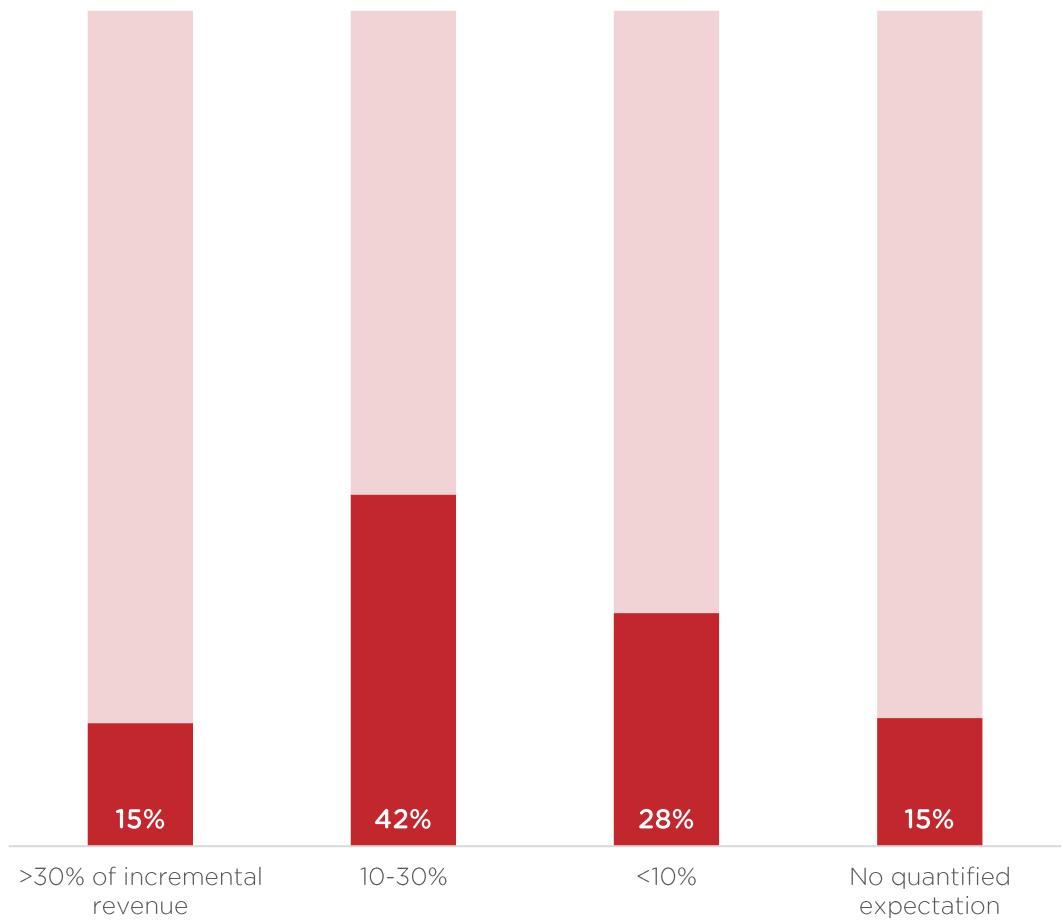
How is innovation positioned in the company's growth strategy?



- Only **13%** treat innovation as a core growth driver
- **32%** treat it opportunistically or don't address it explicitly

 Most companies expect innovation to **materially contribute** to revenue

Over the next 3 years, innovation is expected to contribute...

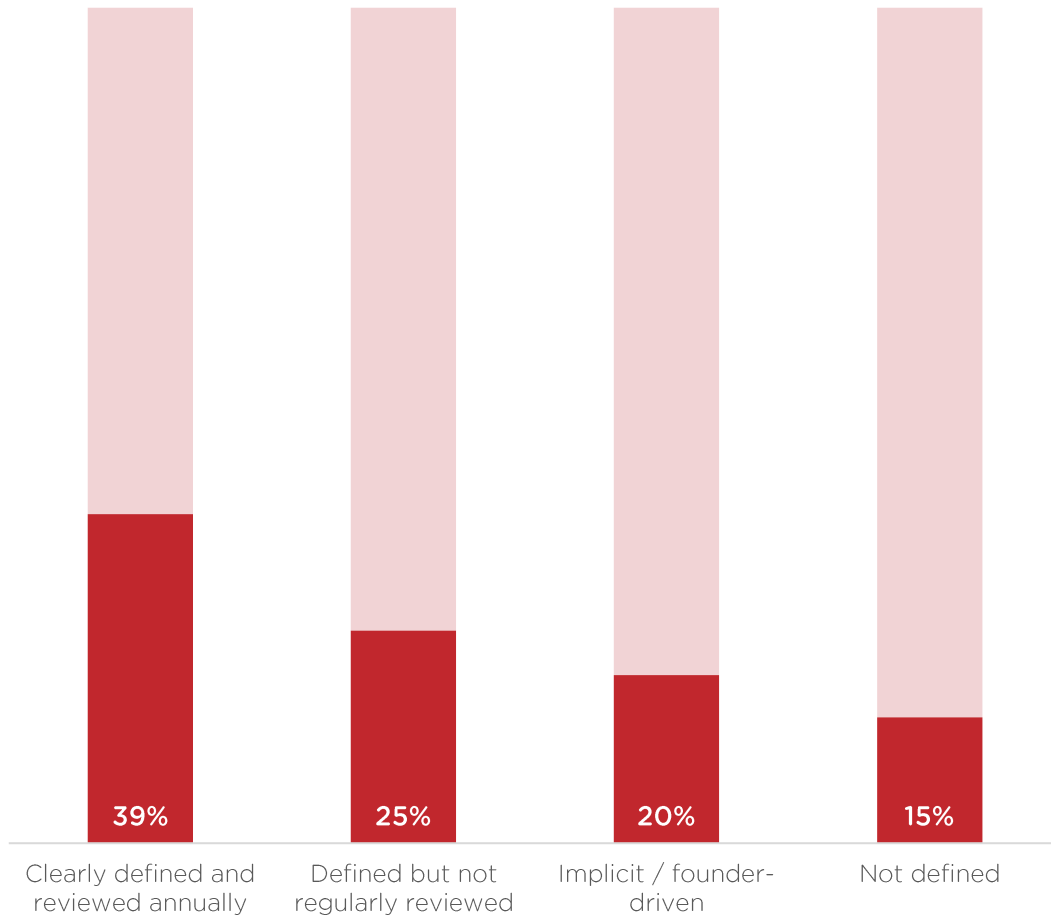


 **85%** expect measurable revenue contribution



Innovation priorities are defined, but **not consistently institutionalized**

Innovation priorities are...

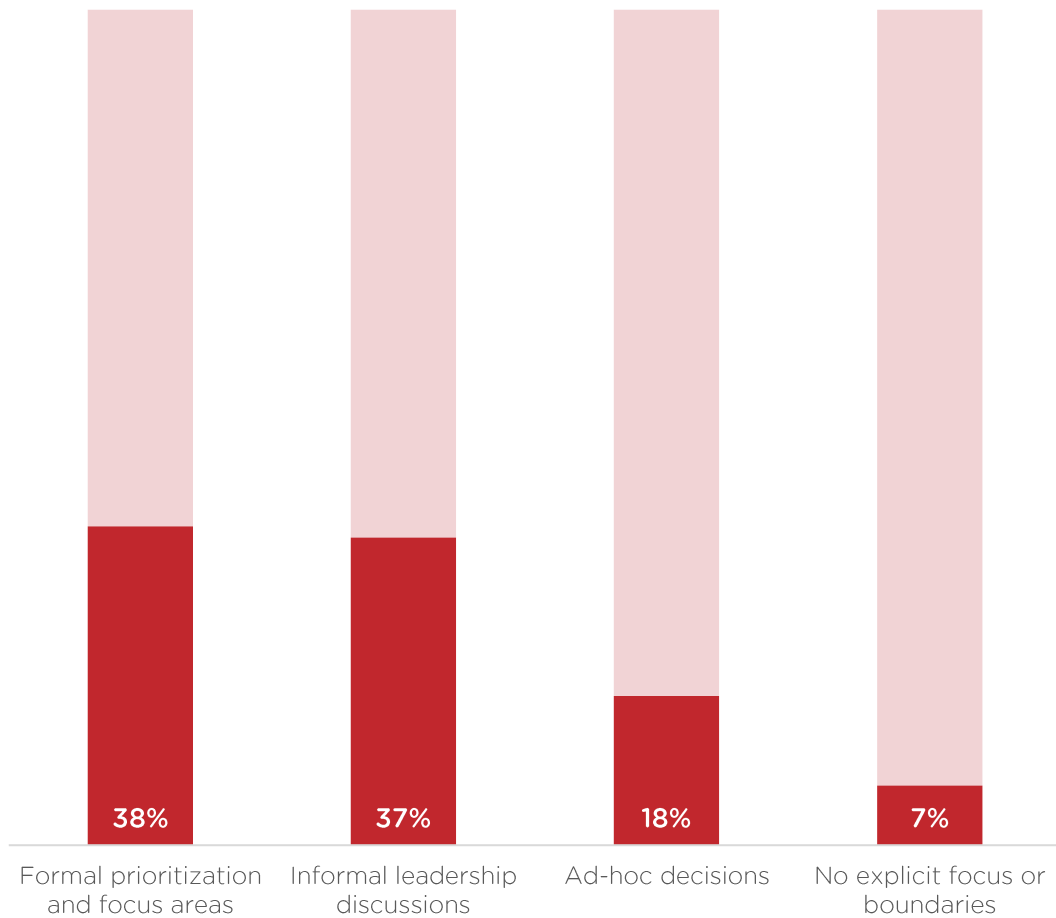



● **39%** have clearly defined and regularly reviewed priorities

● **15%** have no defined priorities

 Few companies **systematically decide** what NOT to innovate on

The company actively decides what not to innovate on by...

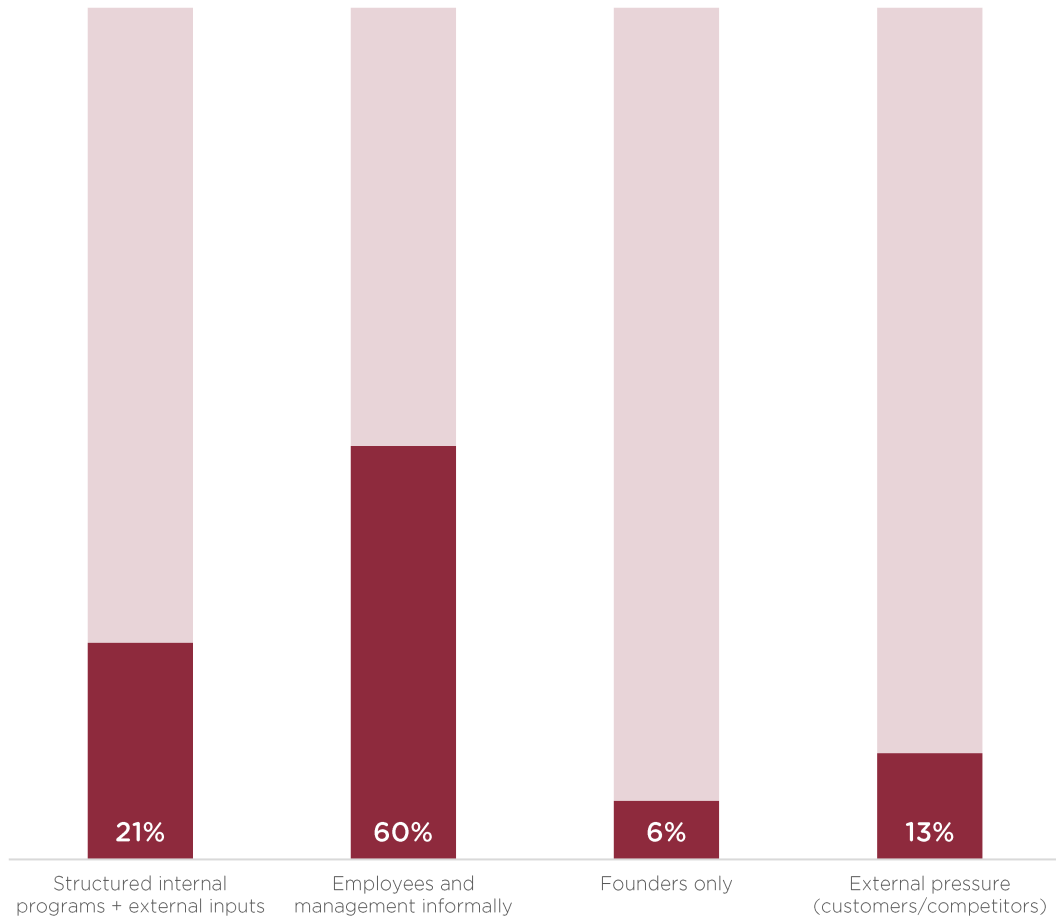


 **62%** have informal, ad-hoc or no explicit boundaries



Front-end innovation is **relationship-driven** rather than system-driven

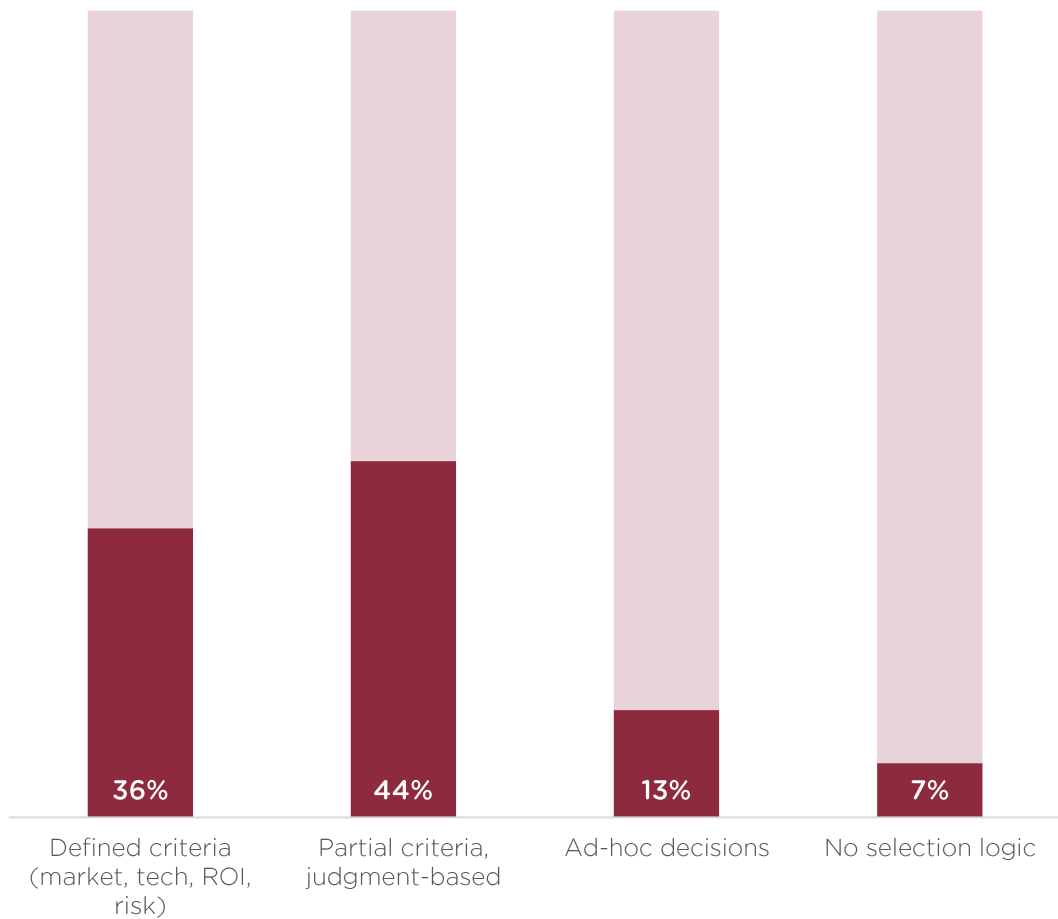
New ideas typically originate from...



● Only **21%** run structured ideation programs

 Most companies apply **some selection logic**, but not full discipline

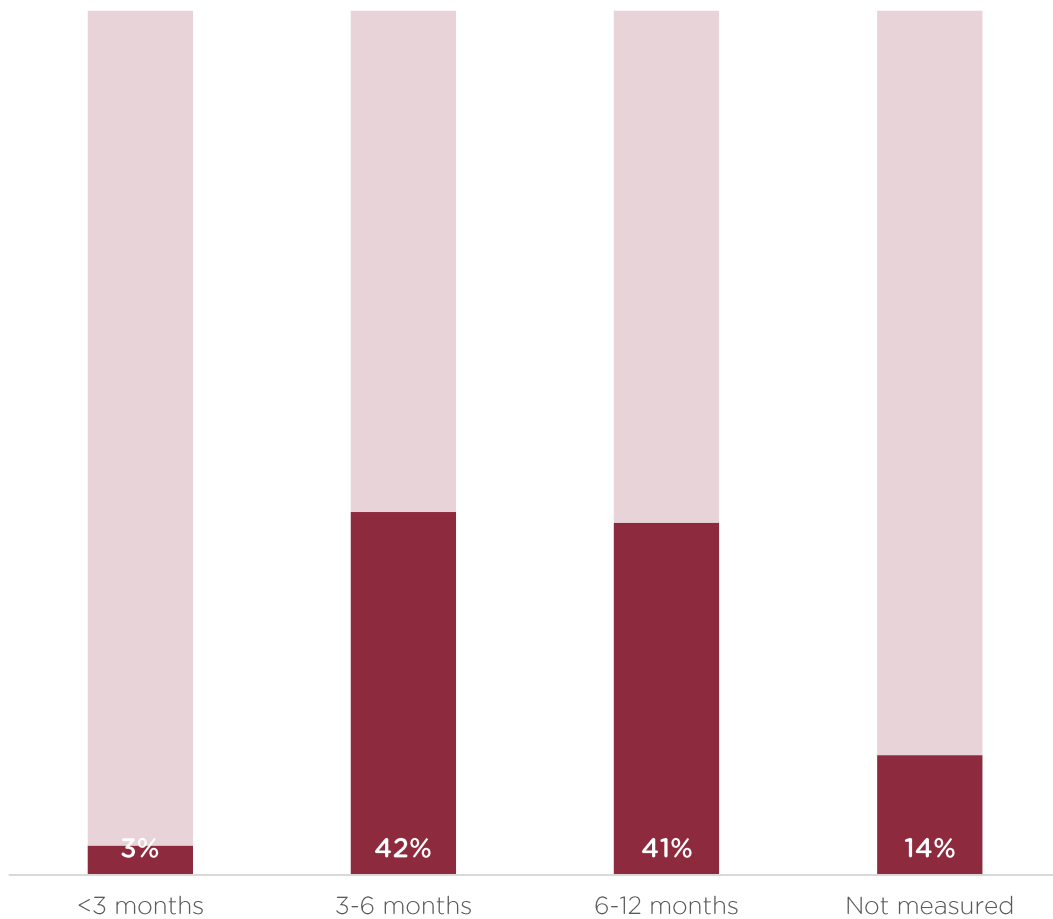
How are innovation initiatives selected for execution?



- **36%** use defined evaluation criteria
- **44%** rely on partial or judgment-based decisions
- **20%** make ad-hoc decisions or have no logic

 Rapid experimentation is **rare**

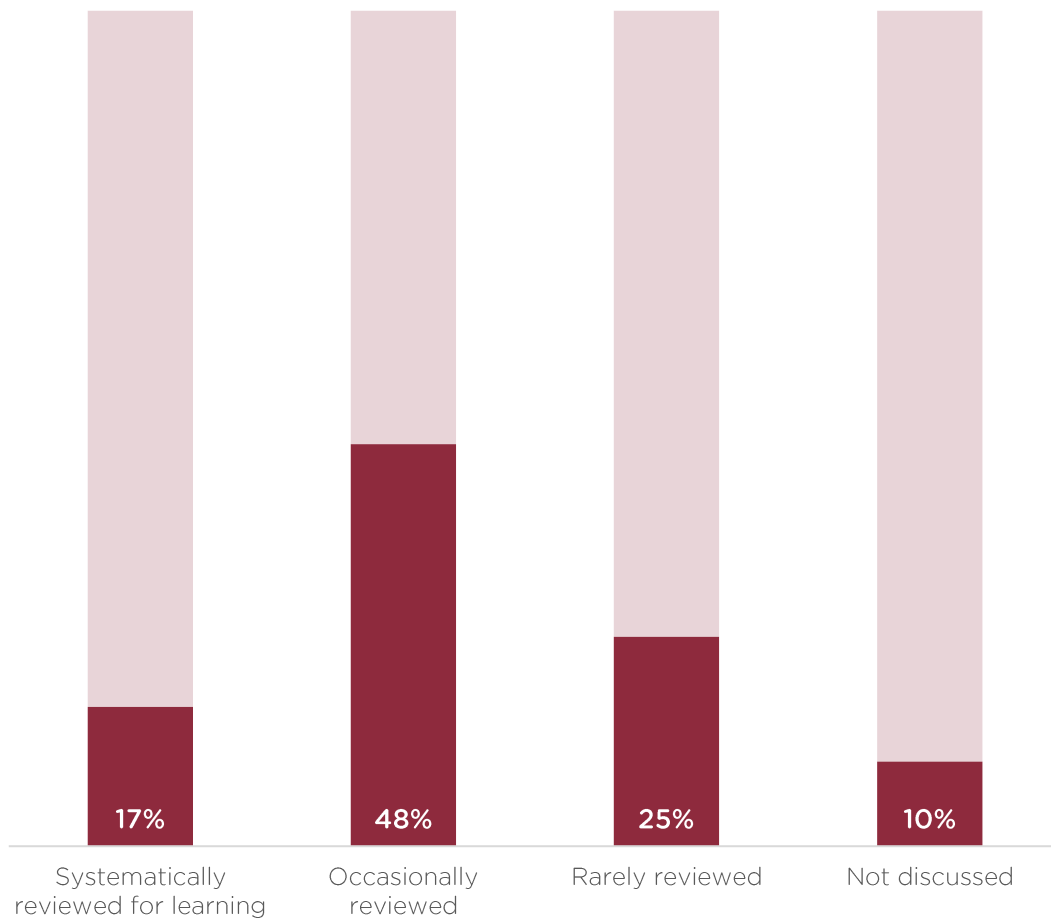
Typical time from validated idea to first market test is...





- Only **3%** test within 3 months
- **83%** require 3-12 months to reach first market test
- **14%** don't measure time-to-test

 Learning loops are **inconsistent** and rarely systematic

Failed or paused initiatives are...

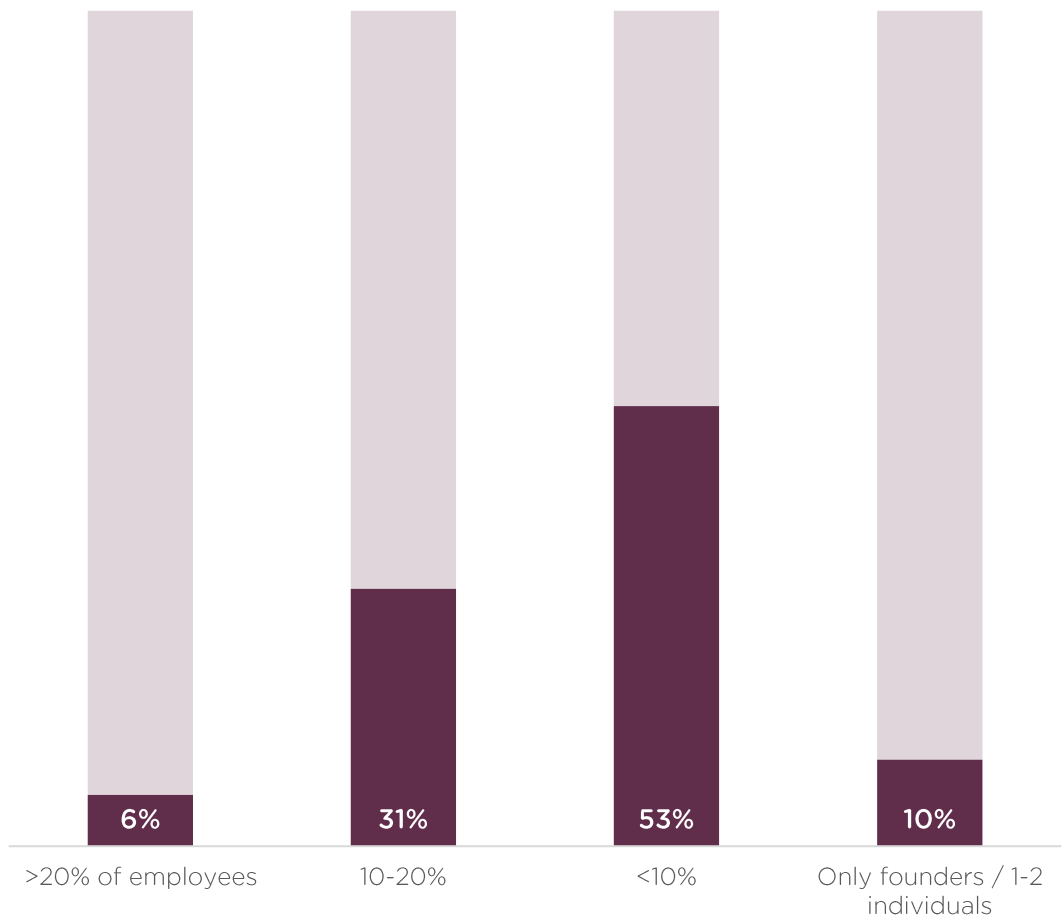


-  **17%** systematically review failed initiatives
-  **35%** rarely or never discuss failures



Innovation is **owned by few**, not embedded across the organization

People actively involved in innovation initiatives...

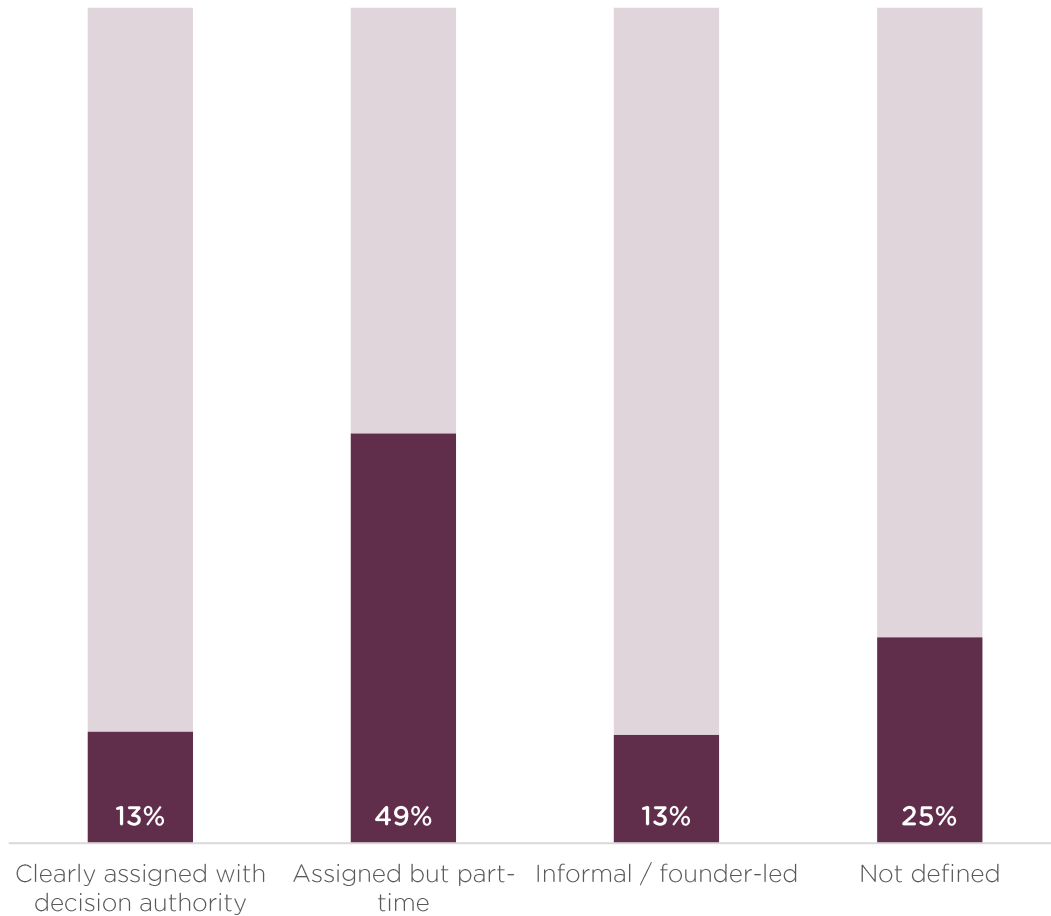


● Only **6%** involve more than 20% of employees



Innovation leadership often **lacks clear decision power**

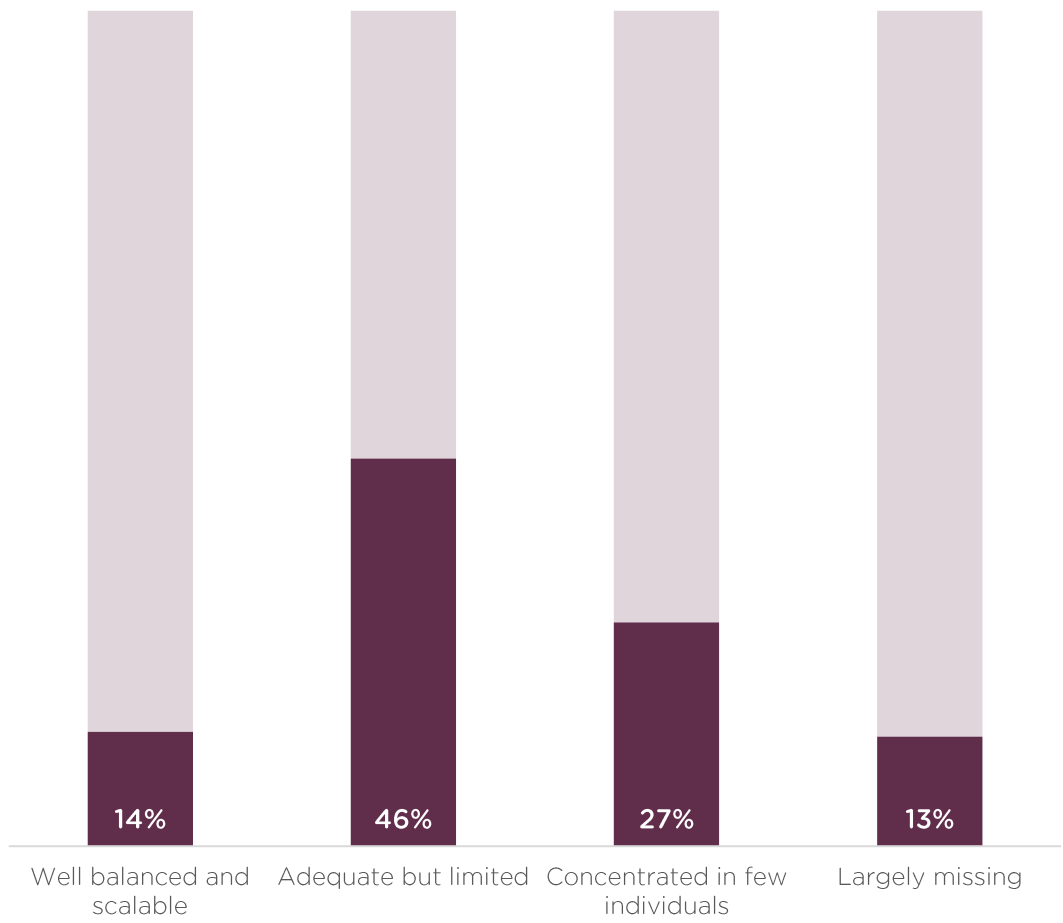
Innovation leadership is...



- **13%** have clearly assigned leadership with authority
- **37%** have informal or undefined leadership

 Innovation capabilities are **rarely scalable**

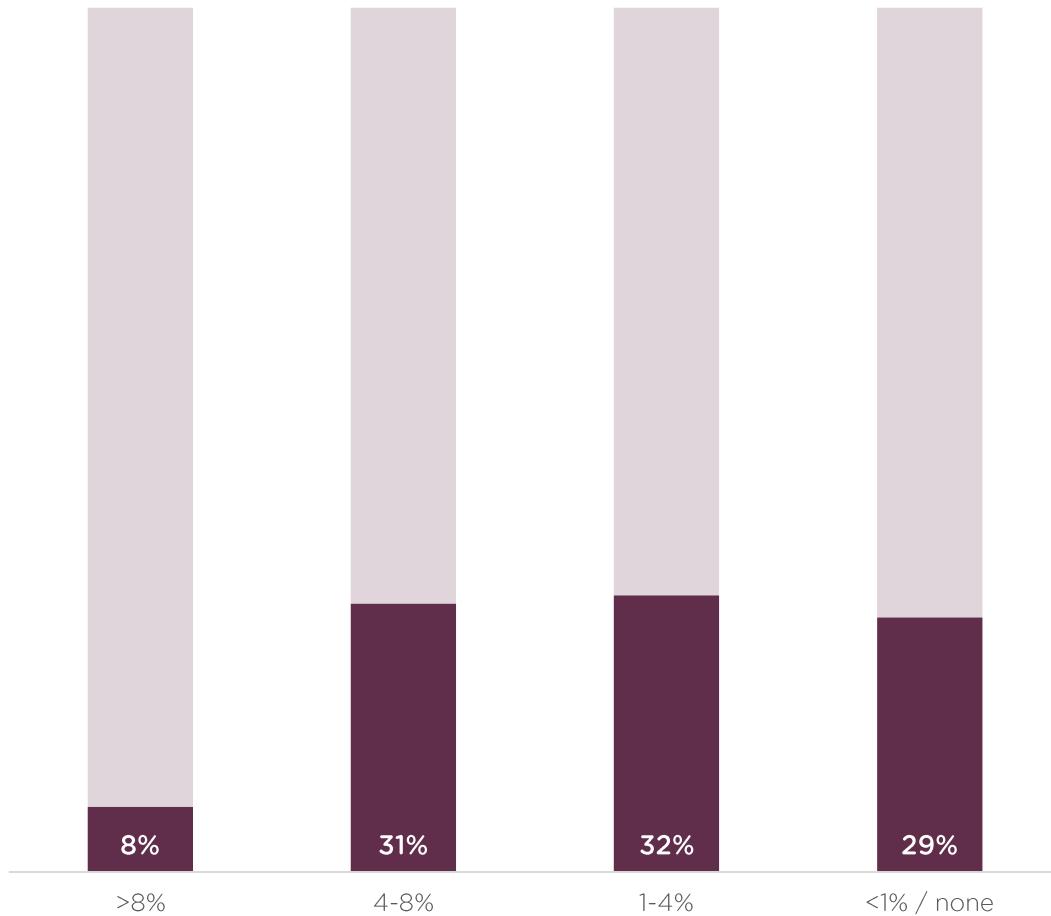
Innovation skills (technical, product, market) are...



- **14%** report well-balanced, scalable skills
- **40%** have skills missing or concentrated in few individuals

 Budget levels signal **incremental ambition** rather than transformational ambition

Budget allocated to innovation (as % of revenue)...

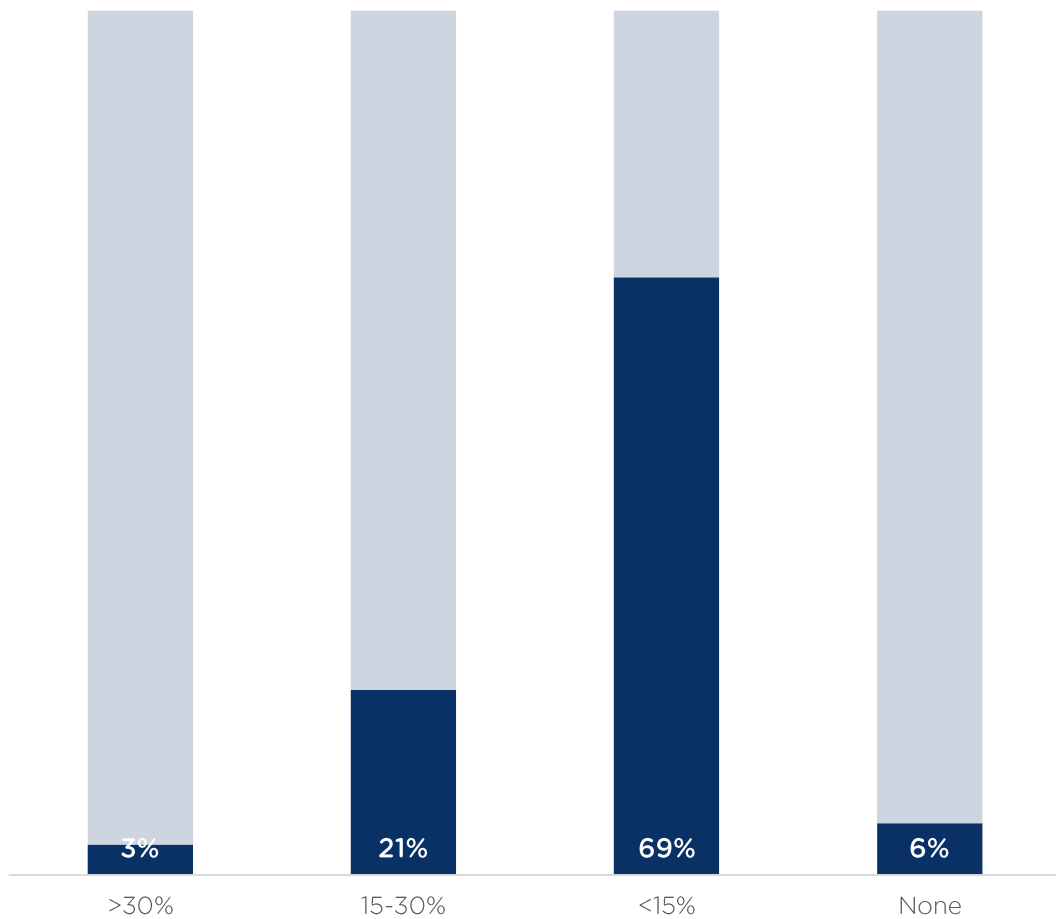


 **29%** allocate less than 1% or nothing

 Only **8%** invest more than 8%

 Innovation **generates revenue**, but not always at scale

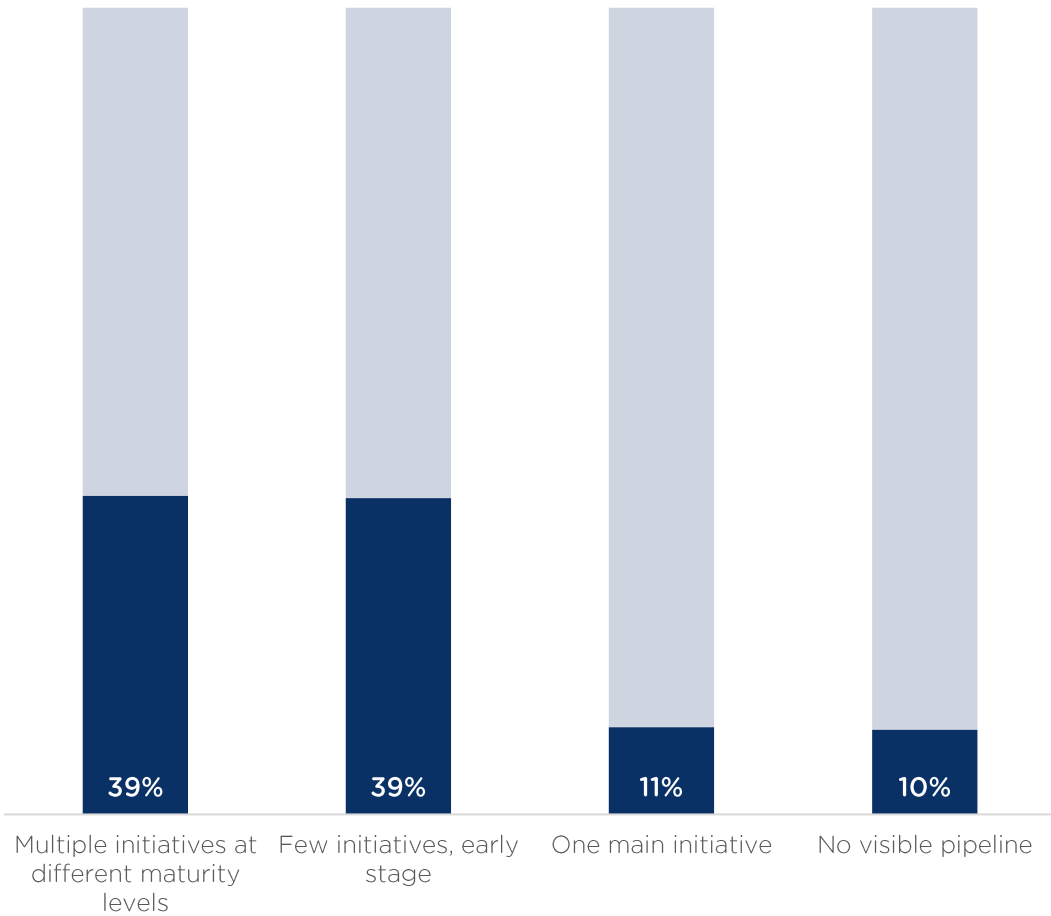
Revenue from products/services launched in last 3 years...





- **94%** generated some revenue from new offerings
- Only **3%** exceed 30%

 Pipeline structures exist, but often **lack breadth**

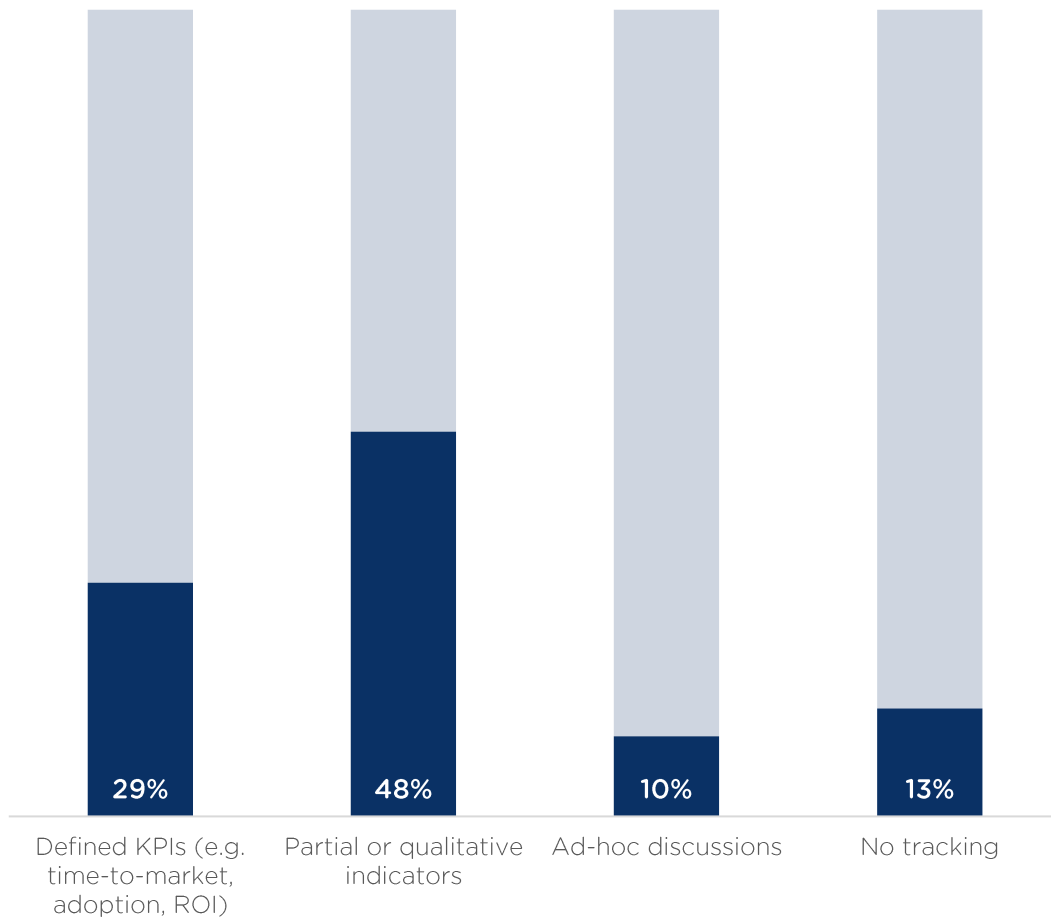
Current innovation pipeline consists of...



 **61%** have only a few early-stage initiatives or no visible pipeline

 Outcome tracking is **often qualitative** rather than KPI-driven

The company tracks innovation outcomes using...

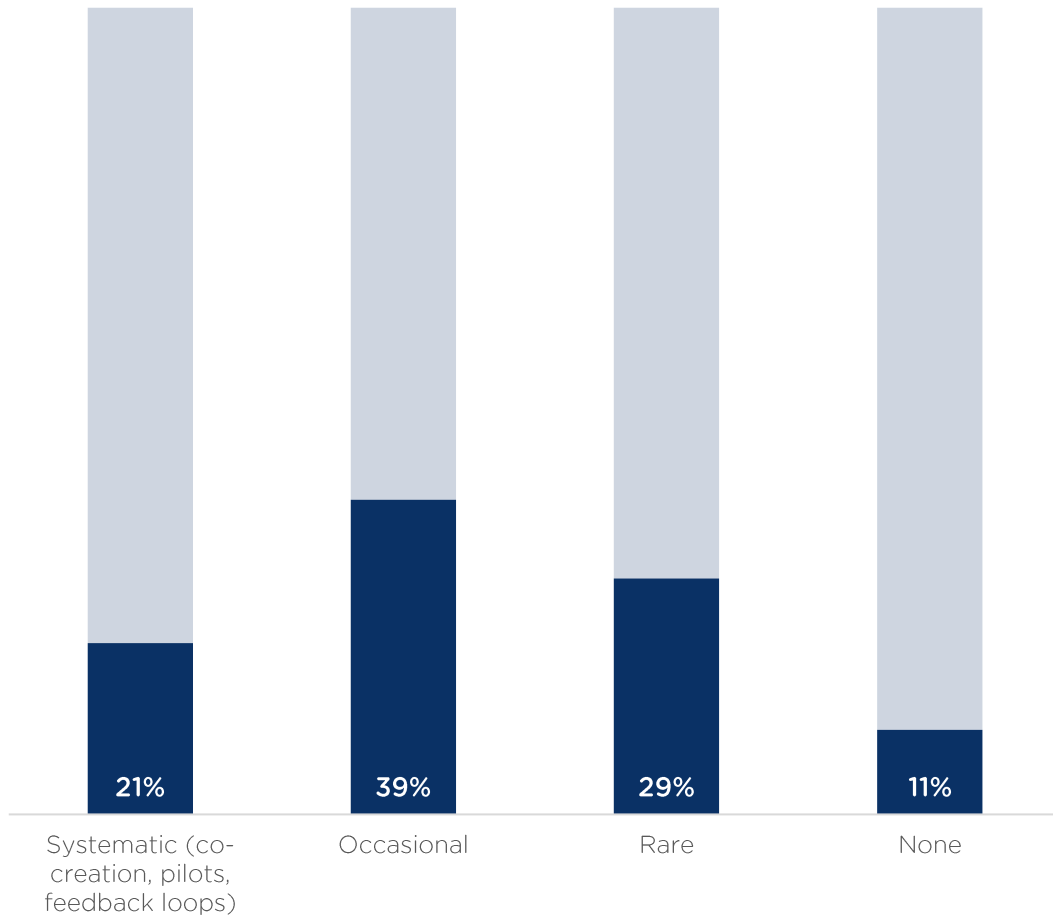


- **29%** use defined KPIs
- **23%** rely on ad-hoc discussions or no tracking



Customer involvement is **occasional** rather than embedded

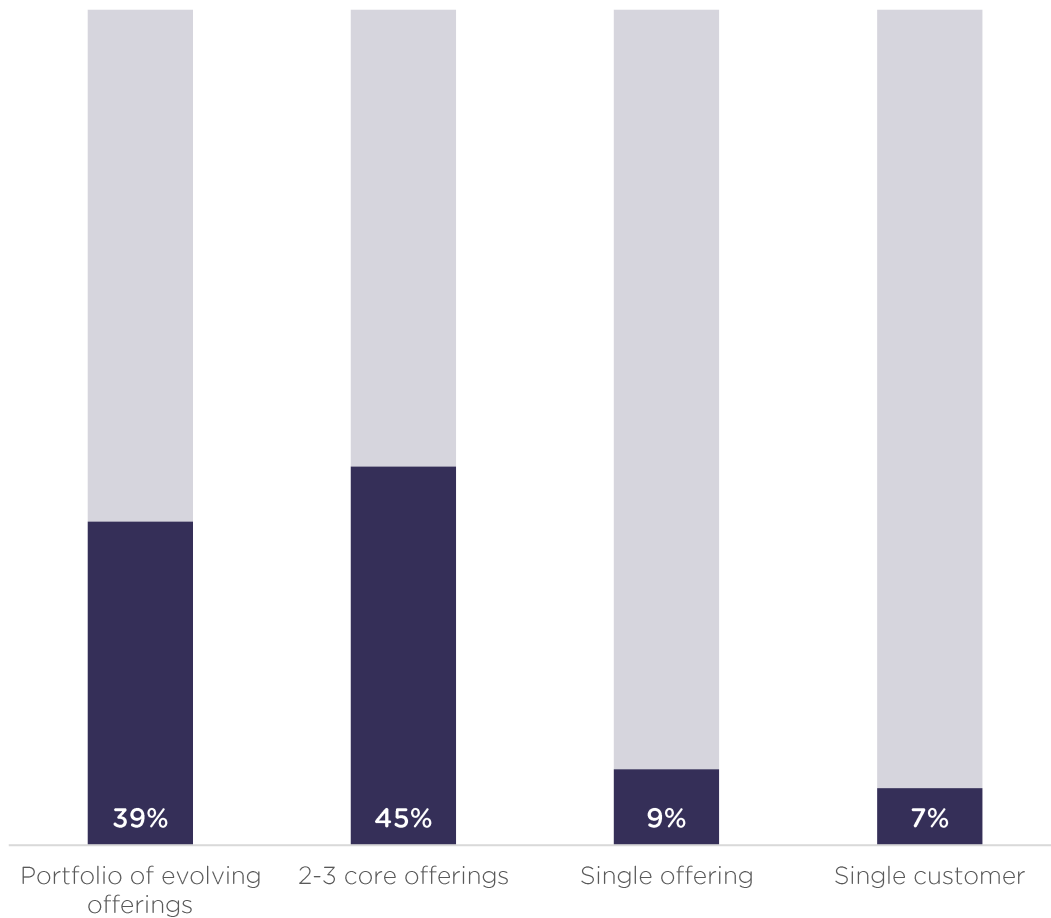
Customer involvement in innovation is...



● **79%** involve them occasionally, rarely or never

 Future growth often depends on a **solid offering base**

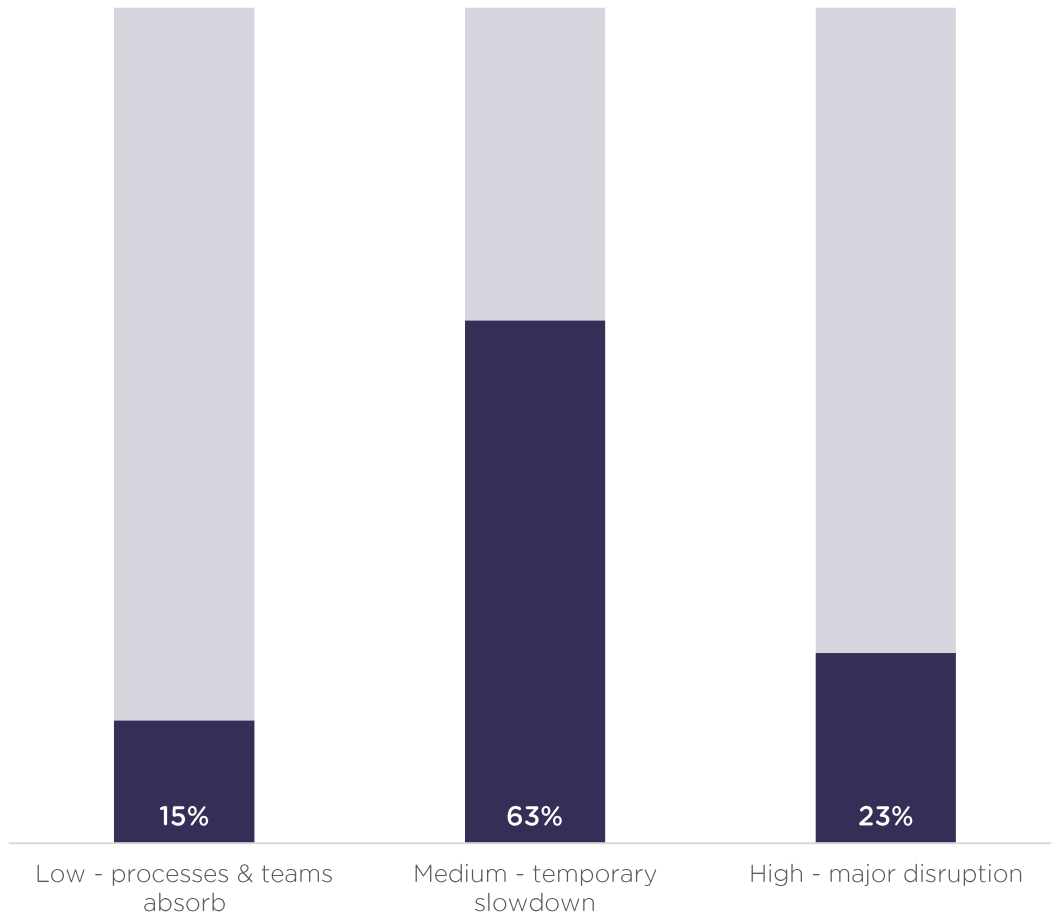
Future growth depends primarily on...



- **39%** operate with a broad evolving portfolio
- **16%** rely on a single offering or single customer

 Innovation systems **depend heavily** on key individuals

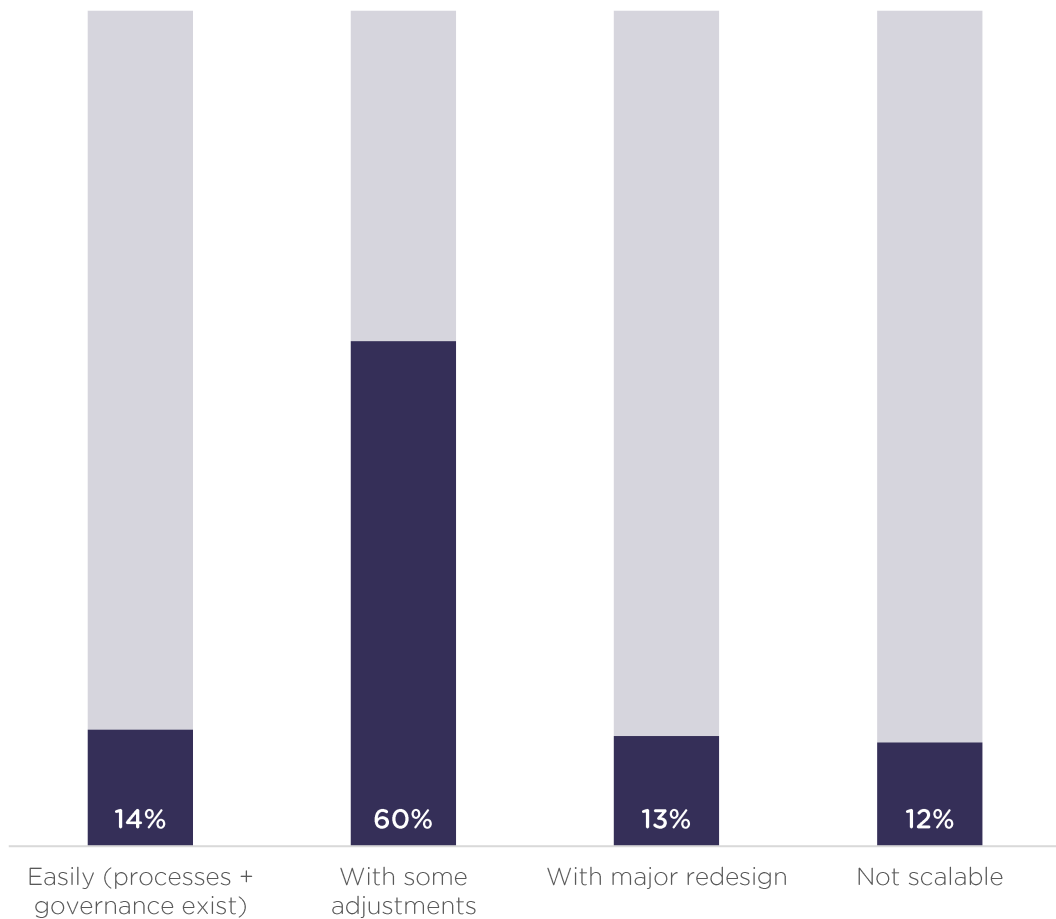
If a core innovation leader leaves, impact would be...



- **85%** expect disruption if a core innovation leader leaves
- **23%** expect major disruption

 Most innovation models **don't scale easily** with company growth

The company's innovation model would scale with growth...

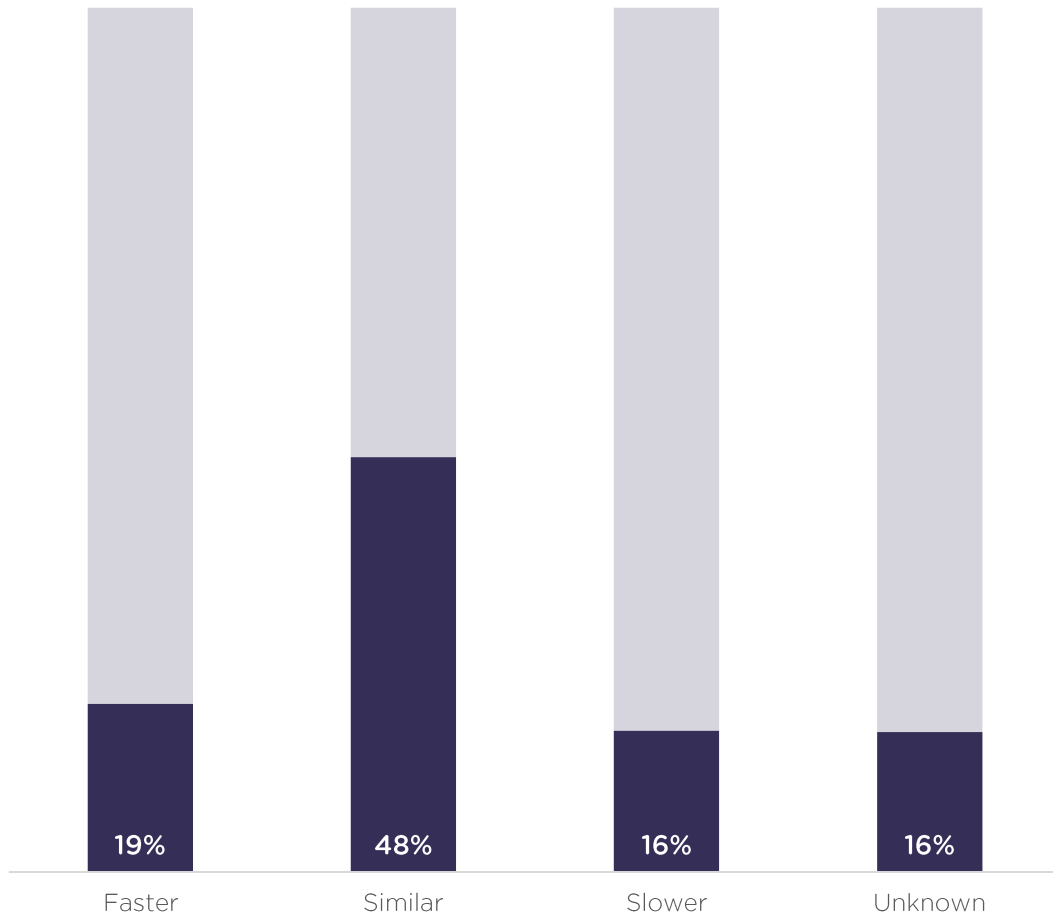


 **60%** require adjustments

 **25%** require major redesign or are not scalable

 Speed of change is **rarely a competitive advantage**

Compared to competitors, the company's pace of change is...



 **19%** move faster than competitors

 **16%** admit they are slower



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