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INNOVATION IN THE EPOCH OF THE DIGITAL ECONOMY

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Abstract:

This article discusses enterprises in the era of the development of the digital economy, as well as the introduction of innovations for the efficient operation of existing enterprises and their improvement. The concept of the digital economy has not recently come into our everyday life, while it has already been introduced, with the help of digitalization, many enterprises have facilitated their work.

Keywords: Innovations, innovations, digital economy, idea, investors, innovators, industry

INTRODUCTION

One of the main goals of management is to ensure a stable and resistant to changes in the external environment competitiveness of the enterprise, which necessitates high innovation activity.

Over the past decades, significant changes have taken place both in the lives of ordinary people and in the field of special professional activity, which, on the one hand, were the result of scientific and technological progress, and on the other hand, were the result of a significantly intensified competition. The industrial stage of economic development allowed enterprises to achieve competitive advantages as a result of the concentration of capital, the development of integration processes, and increased dominance in the markets through mergers and acquisitions. In the context of the concept of the knowledge economy, the innovation economy, new technological opportunities and non-standard forms of doing business, based on the ability of the company's management to anticipate possible changes in technology and technology and the ability to determine possible and effective areas of application of innovations, to form new needs among potential consumers, become more significant.

The modern management paradigm proceeds from the necessity and possibility of demand management and the formation of new needs, which ultimately becomes a prerequisite for the growth of innovative activity of enterprises. Enterprise management is increasingly becoming long-term oriented, as innovations change the entire industrial and technological basis of business.

The term "innovation" was first used in the nineteenth century. in cultural studies and means the penetration of some elements of one culture into another. The meaning of the term "innovation" in translation from English "innovation" means - an evolving complex process of creating, distributing and using innovation, which contributes to the development and increase in the efficiency of entrepreneurial firms.

The digital economy is a force driving almost every industry. During the Industrial Revolution, the main resources needed to drive market innovation were gasoline, conveyor belts, and human ingenuity. Product quality, price, and logistics propelled the market as companies sought to provide customers with better products faster. The digital economy is changing the way customers and corporations interact. As a result, everything changes: both the primary forms of capital and the distinctive features of the market. In the era of the digital economy, customers care less about logistics. Their area of interest is overall satisfaction with the use of the product. This shift is driven by direct day-to-day interaction with technology and the realization of resources associated with that interaction.

Innovation is the development and application of ideas that improve the way things are done or the results that can be achieved.

Successful innovation is not a magical transformation resulting from a big bang or the appearance of an elusive magical unicorn. Success in implementing innovation goes hand in hand with planned action. This can be illustrated by a simple formula: **innovation = invention + implementation.**

Innovation occurs at the intersection of processes such as invention and implementation. Real innovation is the result of slowly adjusting the human experience to new approaches, processes, and technologies. In this formula, the invention is the creation of a new solution that meets the needs of the client. On the other hand, implementation is the application of a new solution to shape human behavior and interaction. Finding the right balance between invention and implementation requires iteration, data-driven decision making, and constant learning and thinking. It also requires technologies that offer countless opportunities for learning in today's digital economy.

Important for understanding innovative activity and developing measures to increase it is the definition of various groups of company employees involved in innovative processes. These may include the following groups:

– developers, authors of innovations are people who evaluate a new idea, its possibility of practical application, they determine the basis and content of the innovation, and then protect the rights to the new idea that

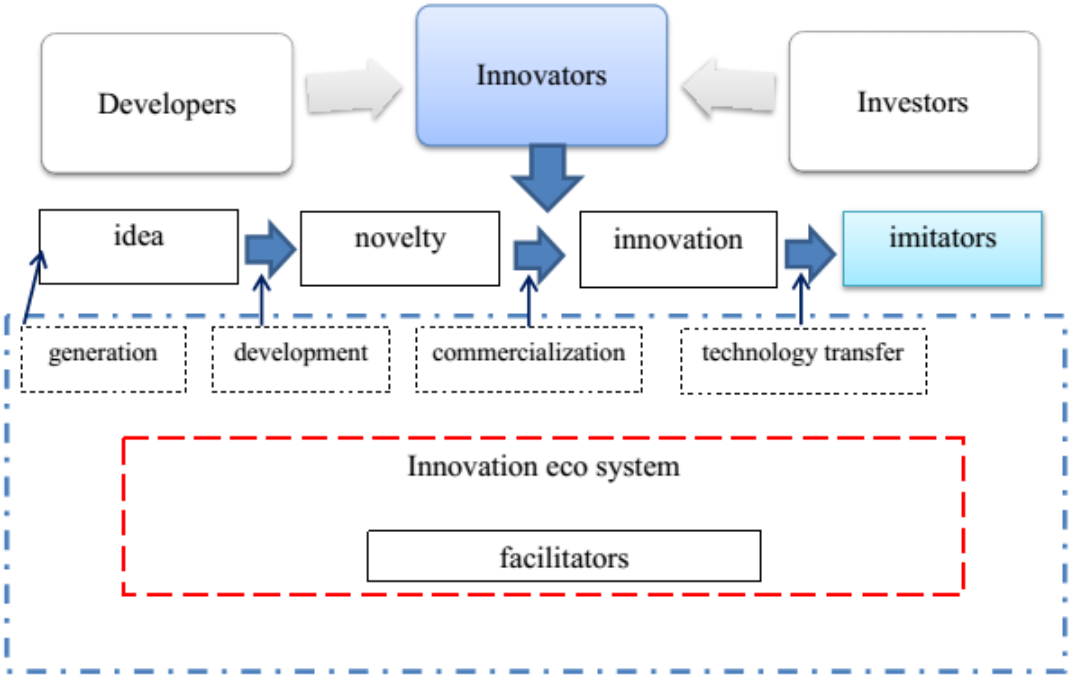
has appeared;

– production workers are a group of people who are directly involved in the practical implementation of innovation;

– investors - participants in the innovation process, the purpose of which is either to find the funds necessary to implement the innovation, or to independently invest in an innovation project;

– innovators are the connecting links between all participants carrying out innovations. These include technology brokers, entrepreneurs, innovative entrepreneurs;

– facilitators are all those institutions and institutions that constitute a favorable infrastructure for the implementation of innovations, create an innovation ecosystem. The innovation ecosystem represents a system of interactions between business, science and the state in the creation, transfer and implementation of research developments. They do not participate directly in the process of innovation, but create the conditions necessary for its successful implementation. These may include authorities, development institutions, educational institutions, consulting companies, etc. Schematically, the interaction of these groups is shown in Pic.1.



Pic.1. Generalized scheme of the innovation process

Developers create ideas, production workers implement them at their enterprises and industries, investors provide them with the necessary resources. Nevertheless, the innovative entrepreneur plays a key role in innovation activity. It is he who unites all other participants, initiates the beginning of activity and supports it at all stages of the process. Facilitators create conditions for activity. All these groups of people are involved in the process of innovation activity of the company, they strive to increase the competitiveness of the company, which, in turn, consists of different areas of activity.

In his world-famous work "Diffusion of Innovations", he substantiated that members of society accept innovations in different ways. Depending on the degree of innovation, he identified types:

– innovators (about 2.5%) are ready to try innovation first, take risks and have financial resources to acquire and implement new (technologies, equipment, methods of personnel management and product promotion, etc.);

– followers (often referred to as early adopters, about 13.5%) are for the majority of legislators in the field of innovation, it is their opinion that is listened to, their experience and decisions made regarding the implementation of the new encourage others to think about changes and take action;

– the early majority (34%) need more time to realize the need to introduce something new. They are included in this process only when they see the successful experience of their predecessors (innovators and followers);

– skeptics (later the majority, 34%) are less ready for changes, they go for them only when they realize that this is a matter of the company's survival in the market;

– lagging behind (they are often called latecomers, they are about 16%) are conservative and clumsy in nature. They (often mistakenly) believe that the traditional approach, product, technology is their key advantage, therefore, as a rule, they refuse to embrace the new.

J. Schumpeter, developing the theory of innovation, determined that economic entities are divided into two types according to their role in the innovation process. Innovators initiate change, lead in the development of new products and processes. Imitators are "responsible" for the diffusion of innovations, their number increases as the

innovation spreads. The imitators are heterogeneous in composition, the early recipients are more innovatively active, then the early majority. Lagging behind, companies that are not ready for change close this row. As a rule, it is not just about the skeptical attitude towards innovations on the part of owners and top management, but about the lack of resources (financial, personnel, scientific and technical, managerial, production, etc.) for the implementation of large-scale innovation programs.

While the "laggards", led by "skeptics" and "laggards" (in Everett Rogers' typology), can only cope with innovations at the company level, i.e. we are talking about technologies and products that have become traditional and mature on a global and national scale.

Digital Champions are companies that are leaders in the global digital transformation that have managed to develop an ecosystem along four main levels: customer solutions, people, operations, technologies. These companies offer in-demand digital products and services. The leading industries are the automotive and electronic industries. 20% of the enterprises of the first and 14% of the second implement innovations in their activities.

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