

ECONOMIC ASPECTS OF INNOVATION DEVELOPMENT

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The basis of the modern social and economic development of every country is its scientific and technical potential, which is a prerequisite for the transition of society in the post-industrial information age. Transition of economy to the innovative way of development requires strong innovation activity.

Innovation activity may be of different nature: some companies may be engaged in the development and introduction of new products on an ongoing basis, while the others can make individual changes to their manufacturing processes and operations. The effectiveness of innovation activity is the key to successful development of the company. However, in order the company to receive economic benefit from the innovation, it is necessary to follow a certain plan of action, taking into account the short and long term goals of the organization, as well as the variability of the environment. In other words, there is a need to develop innovative strategies for the company. It is known that the innovative development strategy is the same set of measures and actions aimed at long-term development of the enterprise and revenue increase. In addition, the innovative strategy involves fundamentally new management decisions specific to the industry in which the company operates, as well as the specifics of the enterprise.

The main innovation policy organization is the formulation of the main design goals of innovation, evaluation of the results in the form of specific practical objectives, reducing the time of introduction of new products.

The main objectives of innovation are the minimization of production costs and improvement of quality of technological, organizational and personnel decisions.

Schumpeter identified five key areas for innovative reforms:

1. Introduction of a new method of production;
2. Acquisition of a new source of raw materials;
3. Implementation of the new organization of production;
4. Introduction of a new product or a qualitative improvement of the existed one;
5. Opening a new market.

Launching innovative processes requires satisfaction of at least two conditions. First, this is a high level of satisfaction of basic needs of citizens with average incomes in order to saturate the market with food and clothing, provide the population with housing and durable goods, including cars. In such conditions to retain their positions on the domestic and global market, manufacturers are required to update and expand the quality characteristics of goods and services and economic growth of companies and the national economy in general depends on the frequency and effectiveness of innovation.

Secondly, there must be effective national scientific, technological and industrial base, capable of continuously generating innovations and transform them into products with stable demand in the market. It is no coincidence that the leaders of the innovation economy are the most economically developed countries, where, on the one hand, a high level of saturation of the market with all sorts of goods and services is observed, on the other hand, a strong scientific and industrial potential for the development and implementation of innovations has been gained.

Innovation is the development and production of new or improved products, technologies and processes.

Innovations can be classified as follows:

- technological innovations aimed at the creation and implementation in production of new products, technologies, modernization of equipment, reconstruction of buildings, the implementation of measures to protect the environment;
- industrial innovation, focused on expansion of production capacity;
- economic innovations related to changes in methods of production planning;
- commercial innovations aimed at changing target marketing activities;
- social innovation, related to the improvement of working conditions, social security of the staff;
- Innovation in management to improve the organizational structure.

Thus, only innovation based on knowledge and trends of technological progress, can make a significant contribution to the economy and cause it to overcome the crisis. As for support, the regional authorities should stimulate the creation of special government agencies that subsidize the development and implementation of promising innovations.

Such system allows improving the overall competitiveness of the products and the profitability of its operations.

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THE ROLE OF SPORTS INDUSTRY IN THE ECONOMY

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Modern physical culture and sports is a complex and controversial socio-economic phenomenon. On the one hand, it is a national treasure and matter of