

INNOVATION DRIVEN ENTREPRENEURSHIP AS A CATALYST FOR ECONOMIC GROWTH

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ABSTRACT

Innovation-driven entrepreneurship has emerged as a powerful force for economic growth, competitiveness, and societal transformation. In Spain, innovation-oriented startups and entrepreneurial ventures contribute significantly to technological advancement, job creation, and regional development. This article explores the concept of innovation-driven entrepreneurship, emphasizing its role in fostering creativity, productivity, and sustainable business growth. It examines key drivers such as technology, education, policy support, financing, and entrepreneurial culture, while also discussing challenges and opportunities within the Spanish entrepreneurial landscape.

Key words: Innovation-Driven Entrepreneurship, Startups, Technological Innovation, Economic Growth, Spain.

INTRODUCTION

Entrepreneurship based on innovation is increasingly recognized as a key engine of modern economies. Unlike traditional entrepreneurship, innovation-driven entrepreneurship focuses on creating new products, services, and business models that generate high value and competitive advantage (Sathyamoorthi et al., 2020). In Spain, promoting innovation-driven entrepreneurship has become a strategic priority to strengthen economic resilience and global competitiveness (Saula et al., 2023).

Innovation-driven entrepreneurship refers to entrepreneurial activities that are rooted in innovation, research, and technological development. These ventures aim to solve complex problems and create scalable solutions. Spain has witnessed growing support for innovation-based startups, particularly in sectors such as technology, renewable energy, biotechnology, and digital services. These sectors contribute significantly to economic diversification (Schroeder, 2023).

Universities play a critical role in fostering innovation-driven entrepreneurship. Spanish universities support knowledge transfer, research commercialization, and startup incubation. Access to finance is essential for innovative entrepreneurs. Venture capital, angel investors, and public funding programs in Spain provide crucial financial resources for early-stage and growth-oriented ventures (Seker et al., 2023).

Government policies strongly influence innovation-driven entrepreneurship. Incentives for research and development, tax benefits, and innovation grants encourage entrepreneurial experimentation and risk-taking. Human capital is a vital component of innovation-driven entrepreneurship. Skilled professionals, researchers, and entrepreneurs drive creativity and technological advancement within startups.

Digital transformation has accelerated innovation-driven entrepreneurship in Spain. Digital platforms, artificial intelligence, and data analytics enable startups to scale rapidly and

compete globally. Collaboration within entrepreneurial ecosystems enhances innovation. Partnerships among startups, corporations, research institutions, and government agencies strengthen knowledge sharing and innovation capacity (Song et al., 2023).

Despite progress, innovation-driven entrepreneurs face challenges such as regulatory complexity, limited funding in later stages, and market access barriers. Addressing these issues is essential for sustainable growth. Innovation-driven entrepreneurship also supports sustainable development. Spanish startups increasingly integrate environmental and social innovation into their business models.

CONCLUSION

Innovation-driven entrepreneurship is a critical driver of economic growth, competitiveness, and sustainability in Spain. By leveraging innovation, technology, and human capital, entrepreneurial ventures create high-value economic opportunities and address societal challenges. Continued support from universities, policymakers, and investors is essential to strengthen Spain's innovation ecosystem. A robust innovation-driven entrepreneurial environment will play a key role in shaping Spain's future economic development and global competitiveness.

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