



# GATEWAY & PARTNERS

**Indicator 2. Share of entrepreneurs carrying out joint product  
or service development**

**June 2021**

## THE MAIN RESEARCH AIM:

The aim of the survey is to assess the fulfilment of the result indicator „Indicator 2. Share of entrepreneurs carrying out joint product or service development“

### Target Group

Entrepreneurs representing both countries and counties or planning regions

### Sample size

N= 516. 262 Estonian companies and 254 Latvian companies

### Method

CATI (Computer - Assisted Telephone Interviewing)

### Fieldwork

May 2021 – June 2021

### Terms used

If the indicator is statistically significantly higher than in the total sample (95% probability), then it's marked with **blue** outline and if the indicator is statistically lower then it's marked with **red** outline.

# Sample description

	N	%
<b>All</b>	<b>516</b>	<b>100%</b>
<b>Country</b>		
Estonia	262	51%
Latvia	254	49%
<b>Type of company</b>		
Accommodation and food services	22	4%
Activities of households as employers; production of goods for own use and provision of services by individual households	1	0%
Administrative and support service activities	33	6%
Agriculture, forestry and fisheries	54	10%
Arts, entertainment and recreation	46	9%
Construction	88	17%
Education	12	2%
Electricity, gas, steam and air conditioning supply	1	0%
Health and social care	8	2%
Information and communication services	28	5%
Manufacturing	32	6%
Mining and quarrying	2	0%
Other services	101	20%
Professional, scientific and technical services	46	9%
Transport and storage	33	6%
Water supply; sewage, waste management and remediation activities	2	0%

	N	%
<b>Number of employees</b>		
1-4	271	53%
5-9	92	18%
10-49	114	22%
50-249	29	6%
250+	10	2%
<b>Age of company</b>		
up to 1 year	1	0%
up to 3 years	1	0%
up to 5 years	83	16%
up to 10 years	152	29%
more than 10 years	275	53%
<b>Place of registration</b>		
Hiiu county	5	1%
Jõgeva county	14	3%
Lääne county	13	3%
Pärnu county	50	10%
Põlva county	12	2%
Saare county	19	4%
Tartu county	97	19%
Valga county	13	3%
Viljandi county	21	4%
Võru county	18	3%
Kurzeme planning region	38	7%
Rīga Planning region	188	36%
Vidzeme planning region	28	5%

# Summary

# Summary - joint product or service development

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- According to the survey results 72% have not carried out joint product or service development with Estonian/Latvian companies, 28% have carried out joint product or service development.
- The main reason for absence of cross-border cooperation on joint product or service development with Latvian/Estonian companies is lack of interest in neighbour market or lack of need to cooperate (27%), size of the enterprise is the second main reason for non cooperation (15%), specificity of business is the third main reason for non cooperation (12%).
- Latvians have statistically significantly more carried out joint product or service development with Estonian enterprises than Estonians have with Latvians – 38% and 19%
- Riga and Vidzeme planning region enterprises statistically significantly more carried out joint product or service development than sample average. Pärnu county enterprises statistically significantly less carried out joint product or service development than sample average.
- Art entertainment and recreation companies consider to carry out joint product or service development in the future with Estonian/Latvian companies statistically significantly more than sample average.

# Summary - joint production or provided joint service

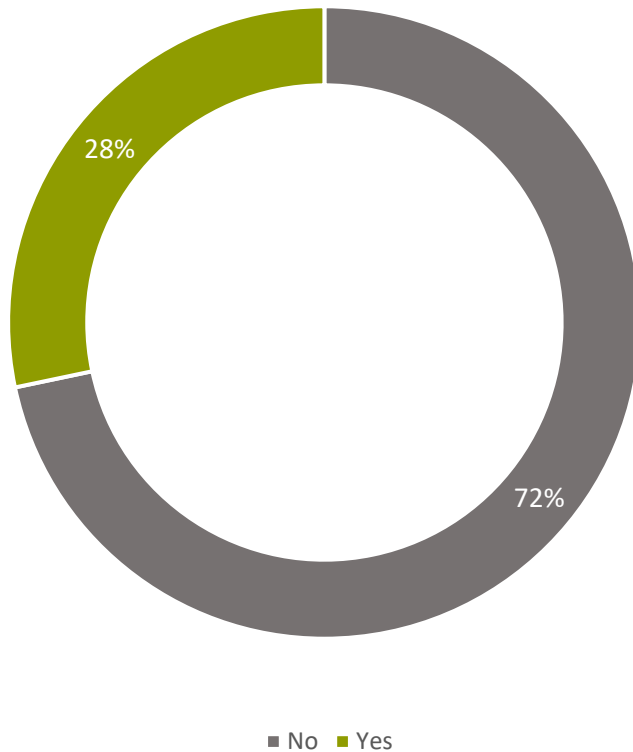
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- According to the survey results 69% have not carried out joint production or provided joint service with Latvian/Estonian companies. 15% have carried out joint production or provided joint service with Latvian/Estonian companies.
- Of those who have carried out joint production or provided joint service: 31% have been carrying it up to 2 years, 38% 2-5 years, 13% 6-10 years, 18% more than 10 years.
- Estonians have statistically significantly more carried out joint production or provided joint service with Latvian companies than have Latvians with Estonian companies – 21% and 9%. In the field of agriculture, forestry and fisheries (20%), and arts, entertainment and recreation (30%) companies have statistically significantly more carried out joint production or provided joint service.

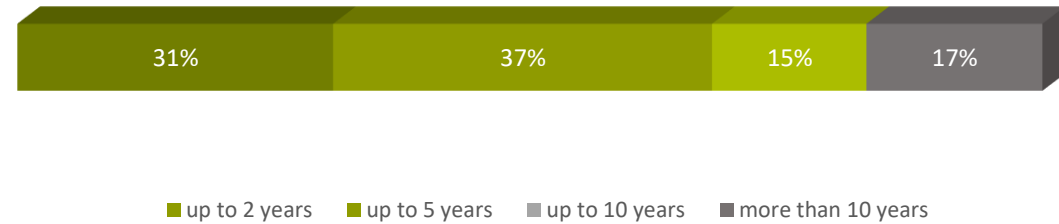
# Results

# Cooperation on joint product or service development

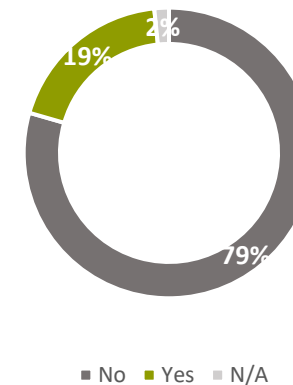
Have you carried out joint product or service development with Estonian/Latvian companies?  
% of all respondents, N=516



For how many years have you carried out joint product or service development?  
% of those who have carried out joint developments, N=146



Are you planning to carry out joint product or service development in future?  
% of those who have not carried out joint product development, N=370





# Reasons for not carrying out joint product or service development

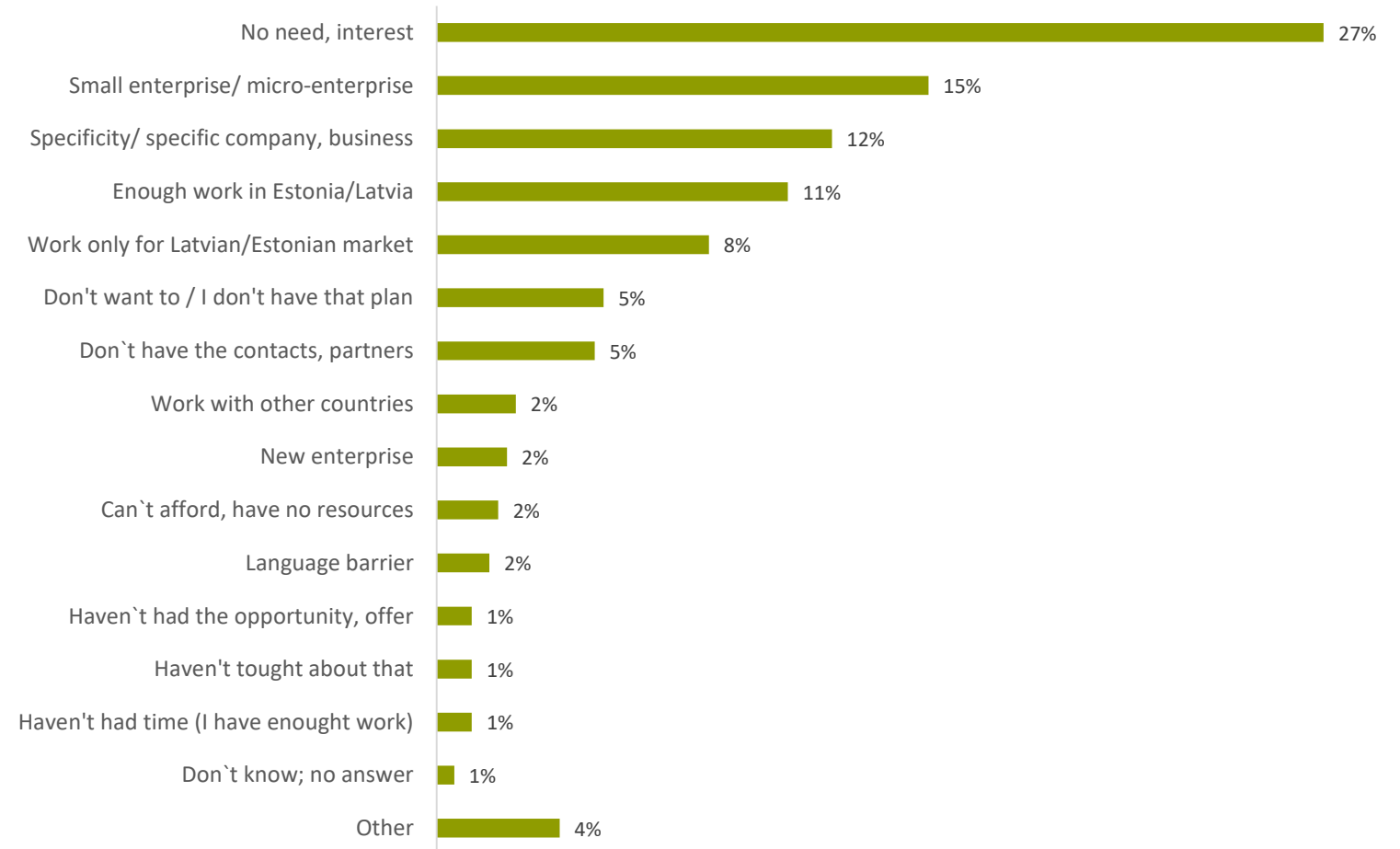
## Reasons for not carrying out joint product or service development

*Those who have not carried out joint development*

- The main reason for absence of cross-border cooperation on joint product or service development with Latvian/Estonian companies is lack of interest in neighbour market or lack of need to cooperate (27%)
- Size of the enterprise is the second main reason for non cooperation (15%)
- Specificity of business is the third main reason for non cooperation (12%)

Why haven't you carried out joint product or service development?

% of those who have not carried out joint development, N=370



# Cross-border joint product or service development in details I

## Cross-border joint product or service development in details I

*Whole sample*

- Latvians have statistically significantly more carried out joint product or service development with Estonian enterprises than Estonians have with Latvians – 38% and 19%

Have you carried out joint product or service development with Estonian/Latvian companies?

		N	Yes	No	Yes %	No %
	<b>All</b>	<b>516</b>	146	370	28%	72%
<b>Country</b>	Estonia	262	50	212	19%	81%
	Latvia	254	96	158	38%	62%
<b>Type of company</b>	Accommodation and food services	22	4	18	18%	82%
	Activities of households as employers; production of goods for own use and provision of services by individual households	3	3	0	100%	0%
	Administrative and support service activities	33	8	25	24%	76%
	Agriculture, forestry and fisheries	54	18	36	33%	67%
	Arts, entertainment and recreation	46	10	36	22%	78%
	Construction	88	12	76	14%	86%
	Education	12	3	9	25%	75%
	Electricity, gas, steam and air conditioning supply	6	2	4	33%	67%
	Health and social care	8	4	4	50%	50%
	Information and communication services	28	12	16	43%	57%
	Manufacturing	32	10	22	31%	69%
	Mining and quarrying	2	1	1	50%	50%
	Other services	101	39	62	39%	61%
	Professional, scientific and technical services	46	10	36	22%	78%
Transport and storage	33	8	25	24%	76%	
<b>Number of employees</b>	1-4	271	49	222	18%	82%
	5-9	92	18	74	20%	80%
	10-49	114	52	62	46%	54%
	50-249	29	21	8	72%	28%
	250+	10	6	4	60%	40%

## II

### Cross-border joint product or service development in details II

#### Whole sample

- Riga and Vidzeme planning region enterprises statistically significantly more carried out joint product or service development than sample average
- Pärnu county enterprises statistically significantly less carried out joint product or service development than sample average

Have you carried out joint product or service development with Estonian/Latvian companies?

	N	Yes	No	Yes %	No %
<b>All</b>	<b>516</b>	146	370	28%	72%
<b>Age of company</b>					
up to 1 year	1	0	1	0%	100%
up to 3 years	1	0	1	0%	100%
up to 5 years	83	22	61	27%	73%
up to 10 years	152	44	108	29%	71%
more than 10 years	275	79	196	29%	71%
<b>Place of registration</b>					
Hiiu county	5	2	3	40%	60%
Jõgeva county	14	1	13	7%	93%
Lääne county	13	4	9	31%	69%
Pärnu county	50	3	47	6%	94%
Põlva county	12	2	10	17%	83%
Saare county	19	5	14	26%	74%
Tartu county	97	18	79	19%	81%
Valga county	13	4	9	31%	69%
Viljandi county	21	8	13	38%	62%
Võru county	18	3	15	17%	83%
Kurzeme planning region	38	5	33	13%	87%
Rīga Planning region	188	78	110	41%	59%
Vidzeme planning region	28	13	15	46%	54%

# Length of cooperation on joint product or service development in details I

For how many years have you carried out joint product or service development?

	N	up to 2 years	up to 5 years	up to 10 years	more than 10 years	
<b>Country</b>	All (Those who have carried out joint product or service development with Estonian/Latvian companies)	144	29%	38%	15%	18%
	Estonia	47	26%	38%	13%	23%
	Latvia	97	31%	37%	16%	15%
<b>Type of company</b>	Accommodation and food services	4	75%	25%	0%	0%
	Activities of households as employers; production of goods for own use and provision of services by individual households	3	33%	33%	0%	33%
	Administrative and support service activities	8	38%	25%	25%	13%
	Agriculture, forestry and fisheries	17	18%	53%	12%	18%
	Arts, entertainment and recreation	10	40%	50%	10%	0%
	Construction	12	25%	58%	8%	8%
	Education	3	33%	33%	0%	33%
	Electricity, gas, steam and air conditioning supply	2	50%	0%	50%	0%
	Health and social care	4	25%	50%	25%	0%
	Information and communication services	12	33%	42%	25%	0%
	Manufacturing	10	30%	20%	30%	20%
	Mining and quarrying	1	0%	100%	0%	0%
	Other services	39	26%	31%	15%	28%
	Professional, scientific and technical services	10	40%	20%	10%	30%
	Transport and storage	7	14%	43%	29%	14%
<b>Number of employees</b>	1-4	45	40%	40%	9%	11%
	5-9	18	22%	39%	22%	17%
	10-49	53	38%	36%	21%	6%
	50-249	22	0%	41%	5%	55%
	250+	6	0%	17%	33%	50%

# Length of cooperation on joint product or service development in details II

For how many years have you carried out joint product or service development?

	N	up to 2 years	up to 5 years	up to 10 years	more than 10 years
All (Those who have carried out joint product or service development with Estonian/Latvian companies)	144	29%	38%	15%	18%
<b>Age of company</b>					
up to 1 year	0	0%	0%	0%	0%
up to 3 years	0	0%	0%	0%	0%
up to 5 years	22	82%	18%	0%	0%
up to 10 years	42	31%	52%	12%	5%
more than 10 years	79	14%	34%	22%	30%
<b>Place of registration</b>					
Hiiu county	2	50%	50%	0%	0%
Jõgeva county	1	0%	100%	0%	0%
Lääne county	4	50%	25%	0%	25%
Pärnu county	3	0%	0%	33%	67%
Põlva county	2	0%	50%	0%	50%
Saare county	5	20%	40%	0%	40%
Tartu county	18	22%	33%	28%	17%
Valga county	4	50%	50%	0%	0%
Viljandi county	6	33%	33%	0%	33%
Võru county	2	0%	100%	0%	0%
Kurzeme planning region	5	40%	40%	0%	20%
Rīga Planning region	79	29%	42%	18%	11%
Vidzeme planning region	13	38%	8%	15%	38%

# Consideration of joint product or service development in future I

## Consideration of joint product or service development in future I

*Those who have not carried out joint product or service development with Estonian/Latvian companies*

- Art entertainment and recreation companies consider to carry out joint product or service development in the future with Estonian/Latvian companies statistically significantly more than sample average

Are you planning to carry out joint product or service development in future?

		N	Yes	No	N/A	Yes %	No %	N/A %
	<b>All</b>	<b>370</b>	70	294	6	19%	79%	2%
<b>Country</b>	Estonia	212	45	162	5	21%	76%	2%
	Latvia	158	25	132	1	16%	84%	1%
<b>Type of company</b>	Accommodation and food services	18	3	14	1	17%	78%	6%
	Activities of households as employers; production of goods for own use and provision of services by individual households	0	0	0	0	0%	0%	0%
	Administrative and support service activities	25	2	22	1	8%	88%	4%
	Agriculture, forestry and fisheries	36	7	29	0	19%	81%	0%
	Arts, entertainment and recreation	36	13	22	1	36%	61%	3%
	Construction	76	11	64	1	14%	84%	1%
	Education	9	1	8	0	11%	89%	0%
	Electricity, gas, steam and air conditioning supply	4	2	2	0	50%	50%	0%
	Health and social care	4	1	3	0	25%	75%	0%
	Information and communication services	16	4	12	0	25%	75%	0%
	Manufacturing	22	3	18	1	14%	82%	5%
	Mining and quarrying	1	0	1	0	0%	100%	0%
	Other services	62	13	48	1	21%	77%	2%
	Professional, scientific and technical services	36	8	28	0	22%	78%	0%
	Transport and storage	25	2	23	0	8%	92%	0%
<b>Number of employees</b>	1-4	222	43	177	2	19%	80%	1%
	5-9	74	10	63	1	14%	85%	1%
	10-49	62	14	46	2	23%	74%	3%
	50-249	8	2	5	1	25%	63%	13%
	250+	4	1	3	0	25%	75%	0%

# Consideration of joint product or service development in future II

Are you planning to carry out joint product or service development in future?

		N	Yes	No	N/A	Yes %	No %	N/A %
	All (Those who have not carried out joint product or service development with Estonian/Latvian companies)	370	70	294	6	19%	79%	2%
<b>Age of company</b>	up to 1 year	1	0	1	0	0%	100%	0%
	up to 3 years	1	1	0	0	100%	0%	0%
	up to 5 years	61	16	43	2	26%	70%	3%
	up to 10 years	108	24	83	1	22%	77%	1%
	more than 10 years	196	28	165	3	14%	84%	2%
<b>Place of registration</b>	Hiiu county	3	1	2	0	33%	67%	0%
	Jõgeva county	13	7	6	0	54%	46%	0%
	Lääne county	9	0	9	0	0%	100%	0%
	Pärnu county	47	5	38	4	11%	81%	9%
	Põlva county	10	3	7	0	30%	70%	0%
	Saare county	14	2	12	0	14%	86%	0%
	Tartu county	79	16	62	1	20%	78%	1%
	Valga county	9	3	6	0	33%	67%	0%
	Viljandi county	13	4	9	0	31%	69%	0%
	Võru county	15	4	11	0	27%	73%	0%
	Kurzeme planning region	33	5	28	0	15%	85%	0%
	Rīga Planning region	110	16	93	1	15%	85%	1%
	Vidzeme planning region	15	4	11	0	27%	73%	0%

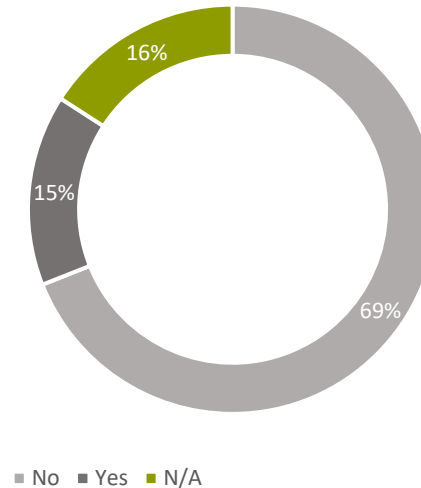
# Joint production or service provision

## Joint production or service provision

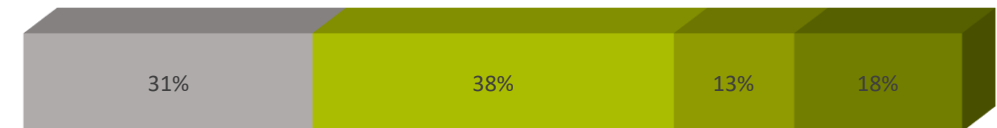
### Whole sample

- 69% have not carried out joint production or provided joint service with Latvian/Estonian companies
- 15% have carried out joint production or provided joint service with Latvian/Estonian companies
- Of those who have carried out joint production or provided joint service
  - 31% have been carrying it up to 2 years
  - 38% 2-5 years
  - 13% 6-10 years
  - 18% more than 10 years

Have you carried out joint production or provided joint service with Latvian/Estonian companies?  
% of all respondents, N=516



For how many years have you carried out joint product or service provision?  
% of those who have carried out joint product or service provision, N=28



■ up to 2 years ■ up to 5 years ■ up to 10 years ■ more than 10 years



# Cross-border joint production or service provision in details I

## Cross-border joint production or service provision in details I

### Whole sample

- Estonians have statistically significantly more carried out joint production or provided joint service with Latvian companies than have Latvians with Estonian companies – 21% and 9%
- In the field of agriculture, forestry and fisheries (20%), and arts, entertainment and recreation (30%) companies have statistically significantly more carried out joint production or provided joint service

Have you carried out joint production or provided joint service with Estonian/Latvian companies?

	N	Yes	No	N/A	Yes %	No %	N/A %	
<b>All</b>	<b>516</b>	78	356	132	15%	69%	16%	
<b>Country</b>	Estonia	262	56	203	3	21%	77%	1%
	Latvia	254	22	153	79	9%	60%	31%
<b>Type of company</b>	Accommodation and food services	22	3	17	2	17%	94%	11%
	Activities of households as employers; production of goods for own use and provision of services by individual households	3	2	1	0	67%	33%	0%
	Administrative and support service activities	33	6	23	4	18%	70%	12%
	Agriculture, forestry and fisheries	54	11	35	8	20%	65%	15%
	Arts, entertainment and recreation	46	14	29	3	30%	63%	7%
	Construction	88	5	73	10	6%	83%	11%
	Education	12	3	9	0	25%	75%	0%
	Electricity, gas, steam and air conditioning supply	6	0	4	2	0%	67%	33%
	Health and social care	8	2	4	2	25%	50%	25%
	Information and communication services	28	7	16	5	25%	57%	18%
	Manufacturing	32	4	21	7	13%	66%	22%
	Mining and quarrying	2	1	1	0	50%	50%	0%
	Other services	101	12	61	28	12%	60%	28%
	Professional, scientific and technical services	46	6	36	4	13%	78%	9%
	Transport and storage	33	2	26	5	6%	79%	15%
<b>Number of employees</b>	1-4	271	38	220	13	14%	81%	5%
	5-9	92	14	70	8	15%	76%	9%
	10-49	114	19	56	39	17%	49%	34%
	50-249	29	5	7	17	17%	24%	59%
	250+	10	2	3	5	20%	30%	50%

# Cross-border joint production or service provision in details II

Have you carried out joint production or provided joint service with Estonian/Latvian companies?

	N	Yes	No	N/A	Yes %	No %	N/A %
All (Those who have not carried out joint product or service development with Estonian/Latvian companies)	<b>516</b>	28	356	132	5%	69%	26%
<b>Age of company</b>							
up to 1 year	1	0	1	0	0%	100%	0%
up to 3 years	1	0	1	0	0%	100%	0%
up to 5 years	83	13	59	11	16%	71%	13%
up to 10 years	152	18	107	27	12%	70%	18%
more than 10 years	275	46	185	44	17%	67%	16%
<b>Place of registration</b>							
Hiiu county	5	0	3	2	0%	60%	40%
Jõgeva county	14	1	13	0	7%	93%	0%
Lääne county	13	4	9	0	31%	69%	0%
Pärnu county	50	7	40	3	14%	80%	6%
Põlva county	12	2	10	0	17%	83%	0%
Saare county	19	4	15	0	21%	79%	0%
Tartu county	97	23	74	0	24%	76%	0%
Valga county	13	4	9	0	31%	69%	0%
Viljandi county	21	6	15	0	29%	71%	0%
Võru county	18	3	15	0	17%	83%	0%
Kurzeme planning region	38	0	32	6	0%	84%	16%
Rīga Planning region	188	21	106	61	11%	56%	32%
Vidzeme planning region	28	1	15	12	4%	54%	43%

# Length of joint product or service provision in details I

For how many years have you carried out joint product or service provision?

		N	up to 2 years	up to 5 years	up to 10 years	more than 10 years
	All (Those who have carried out joint product or service development with Estonian/Latvian companies)	<b>78</b>	31%	38%	13%	18%
<b>Country</b>	Estonia	56	29%	38%	11%	23%
	Latvia	22	36%	41%	18%	5%
<b>Type of company</b>	Accommodation and food services	3	67%	33%	0%	0%
	Activities of households as employers; production of goods for own use and provision of services by individual households	2	50%	50%	0%	0%
	Administrative and support service activities	6	17%	33%	17%	33%
	Agriculture, forestry and fisheries	11	36%	45%	9%	9%
	Arts, entertainment and recreation	14	36%	50%	14%	0%
	Construction	5	40%	20%	0%	20%
	Education	3	33%	33%	0%	33%
	Electricity, gas, steam and air conditioning supply	0	0%	100%	200%	300%
	Health and social care	2	0%	50%	0%	50%
	Information and communication services	7	29%	71%	0%	0%
	Manufacturing	4	0%	25%	50%	25%
	Mining and quarrying	1	0%	100%	0%	0%
	Other services	12	25%	33%	8%	33%
	Professional, scientific and technical services	6	50%	0%	17%	33%
Transport and storage	1	0%	0%	100%	0%	
<b>Number of employees</b>	1-4	38	42%	37%	8%	13%
	5-9	14	7%	57%	14%	21%
	10-49	19	37%	37%	16%	11%
	50-249	5	0%	20%	20%	60%
	250+	2	0%	0%	50%	50%

# Length of joint product or service provision in details II

For how many years have you carried out joint product or service provision?

		N	up to 2 years	up to 5 years	up to 10 years	more than 10 years
<b>Age of company</b>	All (Those who have carried out joint product or service development with Estonian/Latvian companies)	<b>78</b>	31%	38%	13%	18%
	up to 1 year	0	0%	0%	0%	0%
	up to 3 years	0	0%	0%	0%	0%
	up to 5 years	13	77%	23%	0%	0%
	up to 10 years	18	22%	56%	22%	0%
	more than 10 years	46	22%	35%	13%	30%
<b>Place of registration</b>	Hiiu county	2	50%	50%	0%	0%
	Jõgeva county	1	0%	100%	0%	0%
	Lääne county	4	50%	25%	0%	25%
	Pärnu county	7	14%	29%	29%	29%
	Põlva county	2	0%	50%	0%	50%
	Saare county	4	25%	50%	0%	25%
	Tartu county	23	30%	30%	17%	22%
	Valga county	4	50%	50%	0%	0%
	Viljandi county	6	33%	33%	0%	33%
	Võru county	3	0%	67%	0%	33%
	Kurzeme planning region	0	0%	100%	200%	300%
	Rīga Planning region	21	38%	43%	14%	5%
	Vidzeme planning region	1	0%	0%	100%	0%

Thank you!

**Gateway&Partners**