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INNOVATION MANAGEMENT – A KEY FACTOR IN THE DEVELOPMENT OF THE DIGITAL ECONOMY

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Purpose of the article: *The article analyzes the relationship between economic growth and quality of life, emphasizing how economic progress affects the well-being of the population. It aims to identify the main economic, social, and political factors influencing quality of life and to assess the inequalities arising from economic development, offering recommendations for sustainable and inclusive growth.*

Methodology: *The study applies a mixed research approach, combining quantitative and qualitative methods. It is based on legislative and regulatory documents, scientific literature, statistical data, and relevant case studies. Statistical analysis and comparative evaluation are used to examine correlations between economic indicators and living standards, while interpretive methods provide a broader understanding of socio-economic disparities.*

Conclusions: *The findings show that economic growth contributes to improving living conditions but may also deepen inequalities if not accompanied by coherent social and environmental policies. Achieving balanced and equitable development requires integrating sustainability, social inclusion, and fair income distribution into public policy design.*

Originality: *The originality of the study lies in its integrative approach linking economic dynamics with social well-being, providing practical insights for policymakers to promote sustainable and human-centered economic development.*

Keywords: *Economic growth, Quality of life, Inequality, Sustainable development, Public policy.*
JEL Classifications*: I31, O47, O15*

INTRODUCTION

In the context of the transition to a knowledge- and technology-based economy, innovation management is becoming a determining factor in competitiveness and the development of the digital economy. Contemporary organizations are increasingly aware that economic progress and adaptation to market changes depend on the ability to generate, implement, and capitalize on innovative ideas. In this context, innovation management is not limited to the introduction of digital technologies, but involves the development of an organizational culture oriented towards creativity, continuous learning, and cross-sector collaboration. The author analyzes the role of innovative management practices in accelerating digital transformation, highlighting the importance of strategic leadership, investment in research and development, and public-private partnerships. The direct benefits of innovation are presented—increased productivity, diversification of business models, improved customer experience—but also the challenges encountered, such as the digital skills gap, lack of financial resources, and resistance to change. Therefore, innovation management is emerging as an essential pillar of the digital economy, capable of ensuring the adaptability, sustainability, and competitive advantage of organizations in a dynamic and highly technological economic environment.

In the business environment of the Republic of Moldova, more and more companies recognize innovation as an essential condition for competitiveness, especially against the backdrop of the digital transformation of the economy. Many firms are adopting internal strategies that cultivate an innovative and agile organizational culture. The emphasis is on *rapid adaptability*, *creativity*, and *continuous* process *improvement*.

LITERATURE REVIEW

Innovation management is an essential field of study in modern economics, situated at the intersection of strategic management, entrepreneurship, and digital transformation. According to

Peter F. Drucker (1985), innovation is "the specific tool of entrepreneurship," being the process by which businesses transform change into a profitable opportunity. In Drucker's view, the success of organizations depends on the ability of managers to systematize innovation and integrate it into their development strategy.

Modern concepts of innovation management have developed significantly over the last two decades, influenced by the work of Joseph Schumpeter (1934), who defined innovation as "the engine of economic development." Schumpeter introduced the term *"creative destruction,"* explaining how technological and organizational innovations lead to the reconfiguration of industries and the emergence of new business models.

According to recent research (Tidd, Bessant & Pavitt, 2018), innovation management includes a set of processes that enable the generation, selection, implementation, and dissemination of new ideas in a systematic way. These processes are supported by an open organizational culture, visionary leadership, and investment in human and technological resources. In the digital economy, managerial innovation goes beyond the scope of the product or service, extending to operating models, customer relationships, and business ecosystems.

In the context of digital transformation, innovation management becomes a basic condition for the survival and competitiveness of organizations. Porter and Heppelmann (2014) argue that the integration of smart technologies and digital connectivity is leading to a "new industrial era" – Industry 4.0 – where competitive advantage is generated through data analysis, artificial intelligence, cloud computing, and the Internet of Things (IoT).

At the organizational level, OECD research (2021) shows that companies that adopt innovation management models achieve an average productivity increase of over 15% compared to those that do not invest in digitization or research and development. At the same time, the European Commission (Digital Economy and Society Index, 2024) highlights a direct correlation between the degree of digitization of the economy and the level of managerial innovation in SMEs.

In a recent scientific study, Burbulea and Memeț (2024) analyze the impact of artificial intelligence on business strategies, highlighting that the adoption of AI is not only a technological decision, but also a strategic one, with major implications for management models and organizational culture. The authors show that the integration of AI-based solutions leads to more efficient decision-making processes, personalized services, and a transformation of the relationship with the consumer, thus confirming the role of innovation as a vector of competitiveness.

In a previous study, Memeț, Burbulea, and Gangan (2023) examined how digital marketing contributes to strengthening organizational image, demonstrating that innovation in communication and the use of digital platforms are essential elements of modern innovation management and sustainable market promotion.

From a complementary perspective, Oberșt and Negru (2025) address the challenges and solutions associated with the digital transformation of businesses, emphasizing that digitization is not just a technological modernization, but a profound restructuring of managerial processes. The authors highlight the importance of innovation management as a link between technology, strategy, and organizational culture, showing that the success of digital transformation depends on the ability of companies to adapt traditional management models to the new requirements of the economic environment. Their study complements existing approaches with an applied vision of the transition to the digital economy, offering concrete solutions for the sustainable integration of emerging technologies into business practices.

In the regional context, the experience of the Republic of Moldova confirms these trends. Public-private initiatives such as Moldova Innovation Technology Park (MITP), Tekwill, Startup Moldova, or ODA and USAID funding programs demonstrate that stimulating managerial innovation has a significant impact on the digital economy. These structures provide access to resources, professional training, technological infrastructure, and collaboration networks, fostering the emergence of a competitive ecosystem based on innovation and technological entrepreneurship.

Therefore, the literature and empirical studies converge on the idea that innovation management is a strategic tool for the development of the digital economy, through which organizations manage to combine technology, human resources, and leadership to generate sustainable value.

MATERIALS AND METHODS

The research methodology is based on a descriptive-analytical approach, focused on analyzing innovation management processes and how they contribute to the development of the digital economy. The study aims to identify the relationship between innovative management practices, the degree of digitization of the economy, and the competitive performance of organizations.

Several complementary scientific methods were used to conduct the research, allowing for the integration of theoretical information with current empirical data: *the documentary analysis method* was applied to examine the specialized literature, reports, and official strategies on digitization and economic innovation (Digital Transformation Strategy 2023–2030, DESI 2024, OECD reports, international scientific publications). This method aimed to provide a conceptual foundation for the notion of *innovation management* and its interdependence with the digital economy; *comparative analysis method* – used to highlight the similarities and differences between innovation management models applied in different fields (IT, fintech, agrotech). This method facilitated the identification of the most effective management practices and success factors in the process of organizational digitization; *statistical analysis method* – was applied to data provided by the Ministry of Economic Development and Digitization, the National Bureau of Statistics, Moldova Innovation Technology Park, and OECD reports. The analysis focused on the dynamics of the ICT sector, its share in GDP, the evolution of digital service exports, the number of employees, and the level of investment in innovation. This data was interpreted in order to highlight trends and the economic impact of innovation; *case study method* – used for in-depth analysis of representative examples of innovative companies, such as *Fagura, Salt Edge, iAsig, Planable*, and the *Agrotek Park* project. The case studies provided a practical perspective on how innovation management is applied in organizations in the Republic of Moldova, demonstrating the direct link between managerial innovation and performance in the digital economy; *inductive and deductive methods* – used to move from empirical observations (company examples and statistical data) to the formulation of general conclusions on the role of innovation management in the digital economy. At the same time, deductive reasoning was applied to theoretically validate the conclusions obtained.

The sources of information include national and international scientific studies, recent national scientific papers published by authors in the country, materials from international organizations (OECD, European Commission, Harvard Business Review), as well as official statistical data available on government and economic platforms in the Republic of Moldova.

The combination of these methods allowed for a complex and rigorous analysis, making it possible to correlate the theoretical dimension of innovation management with the practical realities of the contemporary digital economy. The research provides an integrated picture of the phenomenon, both from the perspective of economic theory and its applicability in the business environment.

RESULTS AND DISCUSSIONS

The analysis highlights that innovation management is a determining factor in the development of the digital economy, both by stimulating organizational competitiveness and by increasing the contribution of the technology sector to the national economy. The research results demonstrate that success in the digital age is conditioned by the integration of innovation at all levels of management—from strategy and operational processes to organizational culture and stakeholder relations.

1. Innovation culture and organizational transformation

In today's business environment, companies are adapting their management models to support an organizational culture based on creativity, agility, and continuous learning. Organizations that have succeeded in developing a climate conducive to innovation—characterized by openness to new ideas,

risk-taking, and participatory leadership—are better positioned to capitalize on the opportunities of digitization.

For example, experts point out that launching an innovative business requires an agile, problem-solving approach—employees are encouraged to find creative solutions to challenges and be flexible to market changes (MDED, 2024). Such a culture of innovation, supported by visionary leadership, can strengthen the company's long-term position. In practice, Moldovan companies are increasingly integrating digital technologies into their operations (automation, artificial intelligence, data analysis) and developing partnerships with research institutions or acceleration programs to stimulate innovation. A notable example is Orange Moldova—recognized as a leader in innovation—which owns Orange Systems, one of the largest IT hubs in the country (the second largest employer in the local IT industry) and invests in digital transformation initiatives.

Orange Moldova recently joined a national consortium to launch Moldova AI Hub, contributing to the acceleration of the development of the artificial intelligence ecosystem locally (TELECOMREVIEWEUROPE, 2025). Such corporate policies—from internal innovation labs to *intrapreneurship* programs—show how Moldovan private sector companies are trying to turn innovation into a systematic process aligned with business objectives.

2. Innovative practices in private companies and startups

The Moldovan business environment is experiencing a boom of startups and private companies adopting innovative practices in various sectors—IT, fintech, agrotech, etc. Here are some relevant examples:

Fagura – a local fintech founded in 2019, which created the first *crowdlending* platform in the Republic of Moldova. Fagura offers SMEs access to alternative loans (including programs such as "Zero Interest Loans" or "Cashback for SMEs"), using an automated scoring algorithm that allows decisions to be made in less than a second. The platform has been recognized for its social impact: at the Moldova Innovation Awards 2023, Fagura won the award for "Impact Initiative of the Year," scoring top marks in innovation and sustainability (Fagura, 2023). Over 500 people have become shareholders in the company through two rounds of crowdfunding – proof of the community's confidence in their innovative model. Over the years, Fagura has accumulated national and regional awards (Top 3 FinTechs in 2019, Brand of the Year in the FinTech category 2020/2021 in Moldova, Startup with the greatest impact 2020, winner of the InnovX-BCR 2022 accelerator, etc.), demonstrating the ability of Moldovan startups to compete on the international stage (Fagura, 2023).

Salt Edge – a financial technology company with roots in Moldova, specializing in open banking solutions. Salt Edge has developed an innovative API that provides secure, real-time access to thousands of banks around the world for various financial applications. This unique solution has brought it international recognition: at the Moldova Innovation Awards 2023 gala, Salt Edge won the "Best Product Innovation" award in the " " category for its revolutionary API, highlighting the ability of local companies to create technological products to global standards (FORBES, 2024).

iAsig – an InsurTech startup that has managed to revolutionize the insurance market in the Republic of Moldova through digitalization. The company launched *the* first fully digital *marketplace* for insurance products in the country, allowing customers to purchase and manage policies online through a user-friendly interface that eliminates the need for physical interactions (Investiții.md, 2024). The innovation brought by iAsig significantly simplifies the insurance process, setting a new standard of service in the industry. To realize its vision, the startup accessed funding through the Digital Innovation and Technology Startups Support Program (managed by ODA). With the help of a non-reimbursable grant, iAsig invested in developing technical infrastructure, connecting the platform to government services (for automatic data verification), and promotional campaigns. The result was accelerated business growth and establishment as an innovative leader in insurance, with public-private collaboration in this case demonstrating how an innovative idea can be turned into reality with the right support (Investiții.md, 2024).

Planable – a SaaS startup founded by three young Moldovans, which has developed a collaborative platform for managing social media content. Planable started its activity in Chișinău and now has over 7,000 global customers, including brands such as Lamborghini, Mastercard, and even the United Nations. The international success of the product – which allows marketing teams to efficiently plan, discuss, and approve social media posts – has propelled Planable into the spotlight; its co-founders were included in the prestigious *Forbes 30 Under 30* list. In 2025, Planable marked one of the biggest exits in the Moldovan tech ecosystem when it was acquired by the global company SE Ranking (STARTUPMOLDOVA, 2025). This transaction confirms that Moldovan startups can generate niche products with global relevance and attract the interest of major industry players.

Agrotech and innovation in agriculture – Even in the agri-food sector, Moldovan companies and entrepreneurs are adopting innovative practices. From high-tech vertical farms to the use of drones and satellite imagery for precision agriculture, the local agricultural sector is beginning to integrate digital technology. One example of innovative *foodtech* is the vertical farm initiative developed in Moldova, which allows vegetables to be grown in a controlled environment, with resource optimization and rapid local distribution—a paradigm shift for a country traditionally known for its extensive crops. At the same time, agrotech startups are collaborating with IT companies to provide farmers with ERP platforms for real-time crop monitoring, smart weather stations for *climate-smart farming*, and GPS solutions for resource optimization (EdTech Innovation Hub, 2025). These innovations contribute to increased productivity and reduced costs in agriculture, paving the way for more competitive and sustainable *digital agriculture*.

3. The impact of innovation on the digital economy of the Republic of Moldova

The widespread adoption of innovation in the private sector has had a major impact on the development of the country's digital economy. In recent years, the IT industry and technology companies have become a key driver of economic growth, with visible effects on macroeconomic indicators, the labor market, and the business ecosystem:

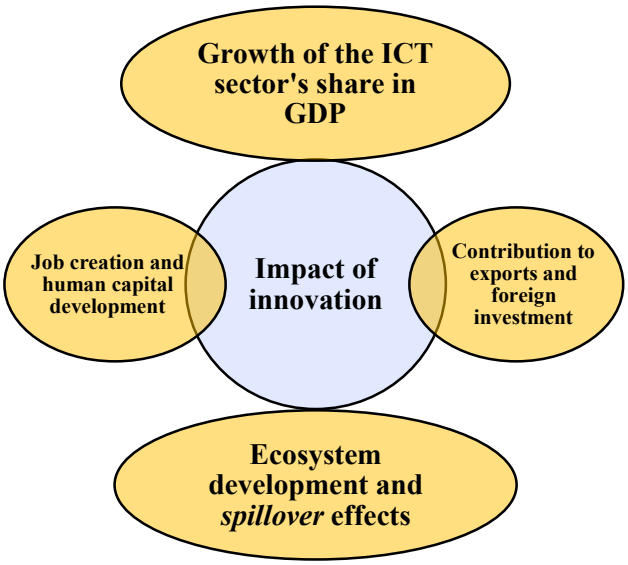

Figure 1. Impact of innovation on the digital economy of the Republic of Moldova.
Source: *prepared by the author.*

Growth of the ICT sector's share in GDP – Moldova's Information and Communications Technology (ICT) sector has rapidly expanded its contribution to GDP. While in 2015 the share of IT in the economy was modest, in 2023 it tripled compared to that level, and in the first half of 2024 the ICT sector came to represent approximately 7.9% of GDP, approaching the 8% threshold (Infomarket, 2024). This steady rise is not a temporary peak, but reflects a stable trend of robust growth in the digital economy. In practice, *approximately 30,000 IT specialists generate almost a*

tenth of GDP, a remarkable achievement for a country the size of Moldova (Infomarket, 2024). According to official data, in 2021 the ICT sector already accounted for 7.6% of GDP (with sales of ~18 billion lei generated by about 2,000 companies and 30,000 employees), and the upward trend continued. This growth reflects both the expansion of local software companies and the attraction of foreign investors and the relocation of IT companies to Moldova.

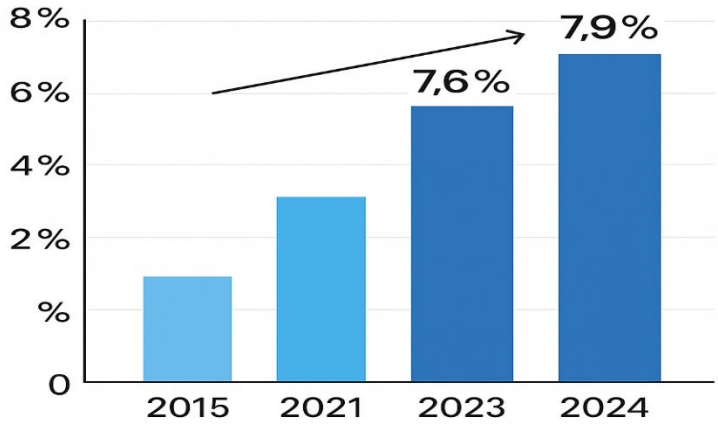

Figure 2. Evolution of the growth rate of the ICT sector in GDP in the Republic of Moldova.
Source: *prepared by the author.*

Contribution to exports and foreign investment – The digital economy has also become a key driver of Moldovan exports. Over 85–88% of IT services and digital products produced in Moldova are delivered to foreign markets. IT service exports have seen the highest growth in the region since 2015, with Moldova recording a *tenfold increase* in IT service exports compared to that year. This performance exceeds that of countries such as Ukraine, Romania, and the Baltic states over a similar period. In addition, the attractiveness of the sector has stimulated foreign capital investment: within the Moldova Innovation Technology Park (MITP), of the 2,150+ resident companies in 2024, 288 are foreign-owned companies from 42 countries (MDED, 2025). Romania, Ukraine, the US, Germany, and the UK are among the main investors, attracted by the favorable tax regime (a single tax of 7% of income) and local talent (Infomarket, 2024). The relocation of companies from the region to Moldova—for example, from Romania (after changes to IT tax incentives) or Ukraine (after 2022)—has further contributed to the growth of the digital ecosystem (Infomarket, 2024).

Job creation and human capital development – The expansion of innovative companies has generated thousands of well-paid jobs and stimulated the development of digital skills among the population. Currently, over 24,000 people work for IT Park companies, representing approximately 4.4% of the total number of employees in the national economy – the second highest percentage in Europe, after Estonia. The importance of the ICT sector as a top employer is also demonstrated by the rapid growth in the number of specialists: about one-third of IT companies in the park increased their teams in 2023. The internationalization of the workforce is also noteworthy – the number of foreign employees in local tech companies increased tenfold in 2023 compared to 2018, a sign that Moldova is becoming an attractive destination for IT talent in the region. Domestically, the popularity of IT careers has exploded, fueled by educational initiatives (such as Tekwill programs in universities and high schools) and competitive salaries offered by innovative companies (Infomarket, 2024).

Ecosystem development and *spillover* effects – *The growth of the digital economy has had spillover effects on the rest of the economy. Innovative companies have started to offer digital solutions for other traditional industries as well – from agriculture (farm management platforms, IoT sensors) to finance (fintech solutions adopted by banks) or commerce (e-commerce and digital marketing platforms for SMEs). The government emphasizes that* "the appeal of digital solutions lies precisely in their ability to transform and streamline other industries,"* and the goal is to replicate the

pace of innovation in the IT sector across the entire economy. A positive effect can also be seen in the entrepreneurial culture: more and more young people and professionals are inspired to launch startups, seeing local success stories such as Fagura or Planable. Thus, the Moldovan digital ecosystem is becoming richer and more diverse, including innovation hubs, accelerators, mentor networks, and angel investors. The number of active tech startups is growing—in 2024, there were already over 250 *Moldovan* startups *(most of them in their early stages), a sign that "startup is no longer just a buzzword, but a concept that attracts people of all ages and from various fields.* (STARTUPMOLDOVA, 2025).

4. Public-private initiatives and government support for innovation

The success of innovative private companies in Moldova is supported by a series of public-private initiatives and government programs aimed at stimulating innovation in the business environment. Authorities, international partners, and the private sector have worked together to create an environment conducive to the development of the digital economy through dedicated infrastructure, financing, fiscal policies, and education. The most important initiatives include (MDED, 2024)*:*

Moldova Innovation Technology Park (MITP) – Launched in 2018, this virtual IT park is one of the most successful initiatives for developing the digital sector. MITP offers an ultra-competitive tax regime (a single tax of 7% on sales revenue) and a friendly regulatory framework, which has attracted over 2,154 resident companies in just seven years. Of these, around 178 are foreign-owned, a sign of investor confidence in the local ecosystem (MDED, 2025). The government has extended the park's operation until 2037 and expanded the list of eligible activities, allowing companies in related industries (digital creation, R&D, etc.) to join. MITP has thus become a catalyst platform: its residents generate annual business of over 15.2 billion lei (approx. 800 million euros in 2024) and contributed 1.5 billion lei to the public budget in 2024 (up 14% from the previous year). While in the early years many IT companies in the park were focused on outsourcing, the authorities point out that a new strategic phase is now underway, with an emphasis on developing proprietary, innovative, and globally competitive products (Infomarket, 2024). To support this transition, in August 2025 the government launched the Digital Innovation and Tech Start-up Support Fund, administered by MITP. This fund will expand access to financing for startups in cutting-edge fields—artificial intelligence, cybersecurity, gov-tech, biotech, agri-tech, cloud, robotics—and channel the potential accumulated in the park into new digital products and services (MDED, 2025).

Non-reimbursable financing programs through ODA (Organization for the Development of Entrepreneurship) – ODA (formerly ODIMM) has been implementing programs dedicated *to digital transformation and innovation in SMEs* for several years. One example is the Digital Innovation and Technology Start-ups Support Program, launched with the support of external partners (USAID, Sweden, UK via the Technologies of the Future project and the WNISEF fund). Through the editions of this program, dozens of small businesses and start-ups have benefited from non-reimbursable grants to realize their innovative ideas. In 2023, for example, 14 companies received total funding of approximately 8.7 million lei, with a further 18.7 million lei to be co-invested in their projects. Most of the businesses supported operate in IT and communications, but also in sectors such as green energy and digital services applied in industry. A young entrepreneur, Mihai Molgan, founder of the startup *Solar Guard,* obtained a grant of ~271,000 lei to launch a SaaS platform that uses AI to optimize photovoltaic parks (minimizing energy losses)– an example of technological innovation applied in an emerging sector. The program is competitive: 110 projects were submitted for the 2023 edition, of which 57 reached the semifinals based on innovation criteria, with each SME eligible to receive up to 500,000 lei in support (MDED, 2024). The ODA also runs *the SME Digitalization Support Instrument,* through which, between 2020 and 2022, hundreds of companies (including those in rural areas) have obtained grants and vouchers for the adoption of digital technologies in business. By the end of 2021, more than 293 companies had received financial assistance for digitization, with total investments of millions of lei and the creation of more than 130

new jobs, under this instrument supported by the EU and the state budget (ODA, 2025). And the results are clear: many SMEs have modernized their production processes, innovation capacity, and marketing strategies, significantly increasing their competitiveness in both domestic and foreign markets.

Innovation hubs and centers of excellence (Tekwill, Startup Moldova, etc.) – In recent years, **hub-type** technology centers have been developed that bring together ecosystem actors (entrepreneurs, mentors, investors, students) and offer acceleration programs, coworking spaces, training, and access to international networks. The main example is Tekwill – the ICT Center of Excellence created in 2017 in Chisinau through a public-private partnership (ATIC, the Government, and funders such as USAID and Sweden). Tekwill has become a hub of innovation, running hackathons, pre-acceleration programs (*Startup Academy)*, initiatives such as "Tekwill in every school" (for digital education), and directly supporting the development of dozens of tech startups. Tekwill has also expanded regionally (e.g., to Comrat and Bălți) and launched, in cooperation with the EU, the Startup City Cahul project in the south of the country to decentralize the digital ecosystem. The Startup Moldova organization (initially supported by the Tekwill project and now an integral part of the ecosystem) provides a platform for connecting startups with mentors from the diaspora, organizes *the* annual *Moldova Startup Summit*, and keeps track of ecosystem statistics. All these initiatives contribute to the development of a vibrant community of innovators. In addition, the financial sector has specialized hubs such as Fintech HUB (launched at ASEM) where banks, IT companies, and startups collaborate to create fintech solutions (e.g., digital payments, Open Banking, electronic identity).

Innovation projects in traditional sectors (Agrotech, Industry 4.0) – The government and its partners are also developing initiatives aimed at bringing innovation to sectors such as agriculture and manufacturing. One flagship project is the creation, in 2023, of AgroTek Park – Moldova's first industrial park dedicated to digital innovations in agriculture. This is a partnership between the Technical University of Moldova, authorities, and investors, with the goal of developing an ecosystem that integrates research laboratories, tech companies, and agri-startups to deliver advanced solutions and s to farmers (Agromedia, 2025). Agrotek Park, located in Chișinău (UTM campus) and planned to expand over 5–6 hectares, will benefit from investments of over USD 100 million (from public, international, and private funds) and is estimated to create ~6,500 jobs. The focus is on cutting-edge technologies: agricultural robotics, sensors and automation, vertical farming, nanotechnologies, circular agriculture solutions, etc. As a first step, in July 2025, Agrotek Arena was launched—an incubator and pre-accelerator within UTM dedicated to education and agri-tech startups, funded with $1 million from Sweden and the UMAEF fund (EdTech Innovation Hub, 2025). Agrotek Arena offers workspaces, prototyping laboratories (including smart greenhouses), and partnerships with international companies (e.g., Davis for smart weather stations, SAS Cropio for agricultural analytics), aiming to accelerate the modernization of Moldovan agriculture. These public-private initiatives in agrotech will facilitate technology transfer to farmers and involve young local researchers, contributing to the growth of a new segment of the applied digital economy.

Overall, government support combined with international partnerships (EU, US, World Bank, etc.) and the active involvement of the private sector have laid the foundations for a rapidly expanding innovation ecosystem. Through dedicated policies (2023–2030 digital transformation strategy, smart specialization strategy, etc.), the authorities aim to consolidate these efforts so that innovation becomes a central catalyst for economic growth and Moldova's convergence towards the European digital economy.

5. Recent statistics on digitization and investment in innovation

To put the above developments into context, here are some relevant current statistics on the digitization of Moldova's economy, investment in innovation and technology, and the share of these sectors in GDP:

1. Share of the digital economy in GDP - almost 8% of GDP is currently generated by the ICT (information and communications technology) sector, according to data for the first half of 2024 (Infomarket, 2024). This represents a substantial increase since the beginning of the decade, confirming the growing importance of the digital economy in the country's economic structure. (For comparison, in 2021 the share of the ICT sector was ~7.6% of GDP (MDED, 2024) and in 2015 around 2.6–3%.)

2. IT sector revenues and exports - The annual turnover of IT companies in Moldova IT Park reached 15.2 billion lei in 2024 (equivalent to ~800 million EUR), of which 88% represents sales on foreign markets (IT services exports) (MDED, 2025). Exports of ICT services have increased tenfold in the last ~8 years, with Moldova becoming the regional leader in terms of growth rate in this segment (Infomarket, 2024).

3. Number of digital companies and startups: The tech ecosystem has over 2,150 IT companies registered as residents in IT Park (2018–2024), compared to ~380 when the park was launched in 2018. Of these, a large proportion are micro-enterprises and start-ups in their early stages, a sign of an emerging entrepreneurial spirit. According to Startup Moldova data, there are over 250 active technology startups in Moldova (2024), most of which are in the *pre-seed* or *seed* phases (STARTUPMOLDOVA, 2025). Their diversity covers areas ranging from fintech and digital health to education solutions, smart agriculture, and e-commerce.

4. Investment and financing in innovation: Investment in startups and technology is growing, albeit from a modest base. In 2024, Moldovan startups managed to attract around USD 7.9 million in equity funding (STARTUPMOLDOVA, 2025), an increase compared to previous years. This includes both local investments (from funds such as *the Moldova IT Capital Fund* or local business angels) and foreign investments and grants won at international accelerators. In terms of public funding for innovation, the state budget still allocates limited amounts to R&D—national research and development expenditure is below 0.4% of GDP (below the EU average), but this is supplemented by external funding (EU Horizon, USAID funds, etc.) and growing innovation spending by private companies. A positive sign is the launch in 2025 of the Government Digital Innovation Fund, which will have additional resources (including possible budget allocations and partner contributions) for direct investments in tech startups (MDED, 2025).

5. Digitalization among SMEs and the population: According to a study by the Ministry of Economy, over 800 local businesses assessed their level of digitization in 2020–2021, and around 293 SMEs have already benefited from financial support (grants/vouchers) for the implementation of digital technologies in business processes (ODA, 2025). This transition to digital solutions (such as online accounting systems, production automation, or e-commerce platforms) was accelerated by the need to adapt during the pandemic and continues post-pandemic. At the population level, internet penetration in households exceeds 80%, and digital services (internet banking, mobile payment apps, delivery platforms) have seen double-digit annual growth in the number of users. The digital transformation of public administration (increasingly numerous e-government services) is also stimulating demand for digital skills and technological literacy among citizens.

CONCLUSIONS

In conclusion, innovation management in private companies in the Republic of Moldova is becoming a central pillar of the development of the national digital economy. Proactive corporate strategies, coupled with a well-articulated support ecosystem (government policies, hubs, financing), have led to tangible results: economic growth in the IT sector, new digital business models, a stronger presence in foreign markets, and a dynamic entrepreneurial climate. The challenge going forward is to maintain this momentum—through continued investment in education, digital infrastructure, and innovation—so that Moldova can consolidate its status as an emerging digital ecosystem and fully leverage the potential offered by the global digital economy. Innovation management is not only a tool for business modernization, but also a national development strategy capable of accelerating digital transformation, strengthening economic competitiveness, and ensuring long-term sustainable growth.

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