

## Are innovation firms at a credit disadvantage? The evidence from Italy (High-Growth Enterprises: What Governments Can Do to Make a Difference)

Based on regression analysis of data obtained from a survey of companies inside and outside Italian industrial districts, this chapter has the double aim of investigating if the existence of lending relationships between banks and its borrowing firms contributes to the easing of financial constraints and if those constraints are more significant for innovative firms. The study concludes that stable and lasting lending relationships help financiers to develop in-depth knowledge of a company and its competitive context and hence to have a more accurate assessment of investment choices. In this sense, financing constraints are weaker for businesses with at least one lending relationship. No evidence emerged to support the hypothesis that the banking system is sterner in its approach to innovative firms.

**Country:** [Italy](#) [1]

**LinkToContentAt:** <http://dx.doi.org/10.1787/9789264048782-13-en>

**Knowledge Type:** [Country report](#) [2]

**Other Tag:** [credit markets](#) [3]

[banking systems](#) [4]

[capital markets](#) [5]

[interest rates](#) [6]

[product innovation](#) [7]

[industrial district](#) [8]

[bank financing](#) [9]

[market power](#) [10]

[measuring innovation](#) [11]

[international markets](#) [12]

**Parent URL:** <http://dx.doi.org/10.1787/9789264048782-en> [13]

**Source URL:** <https://www.innovationpolicyplatform.org/document/are-innovation-firms-credit-disadvantage-evidence-italy-high-growth-enterprises-what>

### Links

[1] <https://www.innovationpolicyplatform.org/country/italy>

[2] <https://www.innovationpolicyplatform.org/knowledge-type/country-report>

[3] <https://www.innovationpolicyplatform.org/topic/credit-markets>

[4] <https://www.innovationpolicyplatform.org/topic/banking-systems>

[5] <https://www.innovationpolicyplatform.org/topic/capital-markets>

[6] <https://www.innovationpolicyplatform.org/topic/interest-rates>

[7] <https://www.innovationpolicyplatform.org/topic/product-innovation>

[8] <https://www.innovationpolicyplatform.org/topic/industrial-district>

[9] <https://www.innovationpolicyplatform.org/topic/bank-financing>

[10] <https://www.innovationpolicyplatform.org/topic/market-power>

[11] <https://www.innovationpolicyplatform.org/topic/measuring-innovation>

[12] <https://www.innovationpolicyplatform.org/topic/international-markets>

[13] <http://dx.doi.org/10.1787/9789264048782-en>