



Prof. Dr. Tobias Gutmann

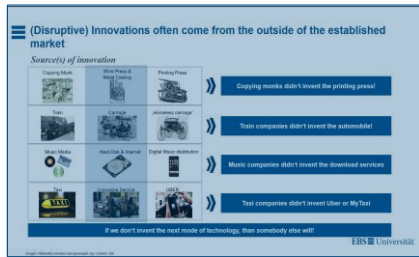
Successful Corporate- Startup Relationships

Keynote

Forschung meets Hub
1.12.2021

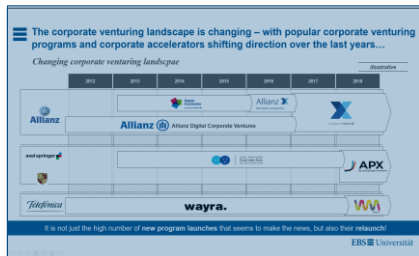
In this presentation, we dive into corporate venturing with a special focus on successful corporate-startup relationships

Agenda and objectives



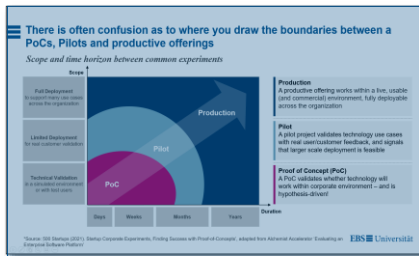
1 Introduction and relevance

Technology can rapidly change our world and (disruptive) innovations often come from the outside of the established market



2 The changing corporate venturing landscape

The corporate venturing landscape is changing – with popular corporate venturing programs and corporate accelerators shifting direction over the last years

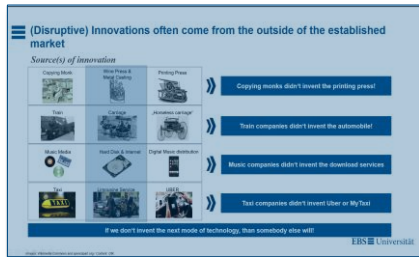


3 Successful corporate-startup relationships

Corporates need structure! – venture units need to provide a stage-gate process to guide the corporate and hide the creative chaos of startups

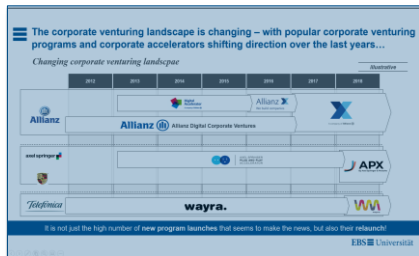
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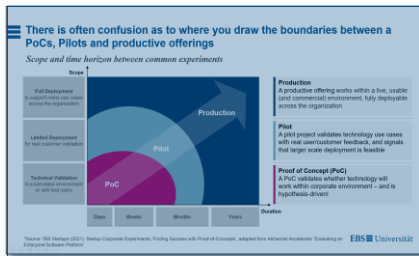
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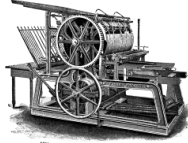











3 Successful corporate-startup relationships

Corporates need structure! – venture units need to provide a stage-gate process to guide the corporate and hide the creative chaos of startups

(Disruptive) Innovations often come from the outside of the established market

Source(s) of innovation

Copying Monk 	Wine Press & Metal Casting 	Printing Press 
Train 	Carriage 	„Horseless carriage“ 
Music Media 	Hard Disk & Internet 	Digital Music distribution 
Taxi 	Limousine Service 	UBER 



Copying monks didn't invent the printing press!



Train companies didn't invent the automobile!




Music companies didn't invent the download services



Taxi companies didn't invent Uber or MyTaxi

If we don't invent the next mode of technology, than somebody else will!



**If you don't uber yourself,
you get kodaked!**

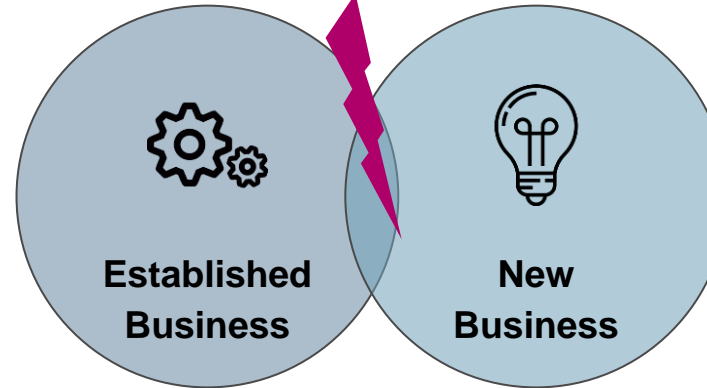
The innovation dilemma: We need to master two distinct challenges at the same time

Ambidextrous Organization

Exploitation

Strengthening and extending the core
Using current resources and capabilities in an efficient and reliable fashion to head in the same direction

CHALLENGE



Exploration

Creating the new
Searching for, acquiring and developing new resources and capabilities to go in a new direction

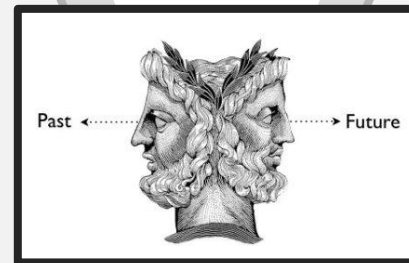
Follow the rules and drive out the variance and slack

Focus on serving **existing customers** and their needs

Manage and refine **existing competences**

Optimize the organization for **existing rules**

Make money **now!**



Break the rules and promote variance and slack

Serve **new customers** with new needs

Develop and lead **new competences**

Develop new organization system with **new rules**

Make money **later!**

All organizations face the core challenge of deciding on investments in two very different types of activities: Exploitation and Exploration.

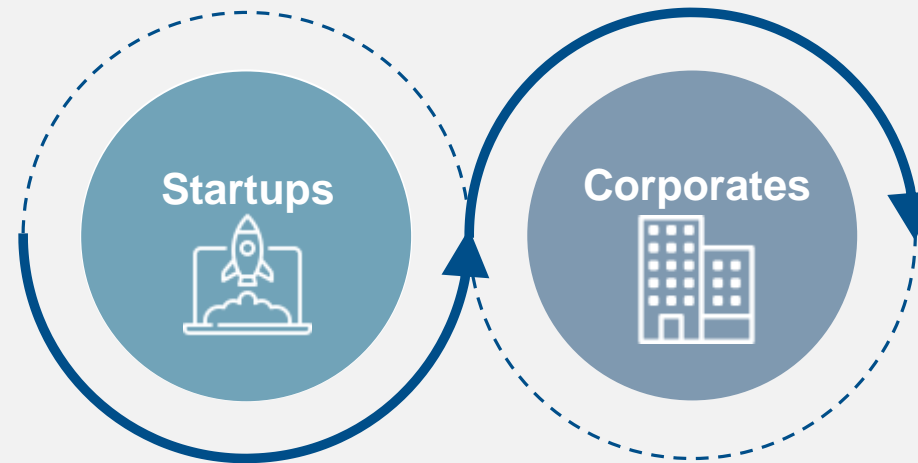


Developing new ideas and new businesses - a win-win situation for startups and corporates

Benefits of corporate startup relationships

Startups are **IMPORTANT** for Corporates

- As a vision of the future
- As a way of accessing innovative technologies (with innovative suppliers)
- For staying on-top of market developments
- For testing ideas for new businesses outside the corporate organization
- New revenue streams and business lines



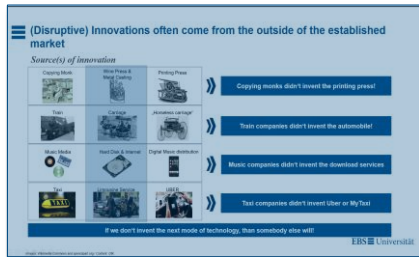
Corporates are **ATTRACTIVE** for startups

- As a **close partner** that provides access
 - to industry expertise
 - to resources, assets and capabilities
 - to a scalable customer base and sales channels
 - to technology and manufacturing expertise
- As a **customer**
- As an **investor**
- Sends a positive signal to other investors

“Big companies are lately waking up to the fact that their industries are disrupted by the innovations led by startups. Instead of thinking ‘some incumbents are gonna lose, some startups are gonna win’, startups should be seen as potential partners. Partners to create more value for your company, more value for the consumer, and for the whole industry. “ - Giuseppe Zocco, co-founder of Index Ventures

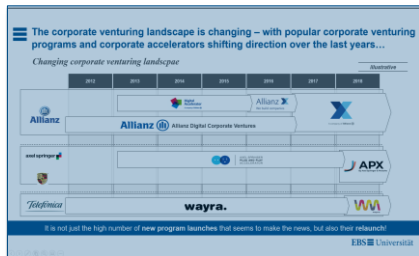
In this presentation, I would love to dive into corporate venturing with a special focus on successful corporate-startup relationships

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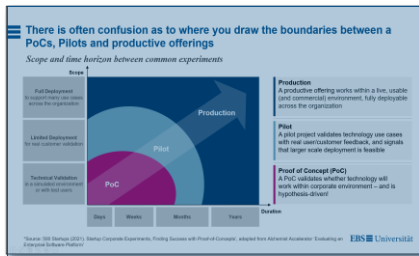
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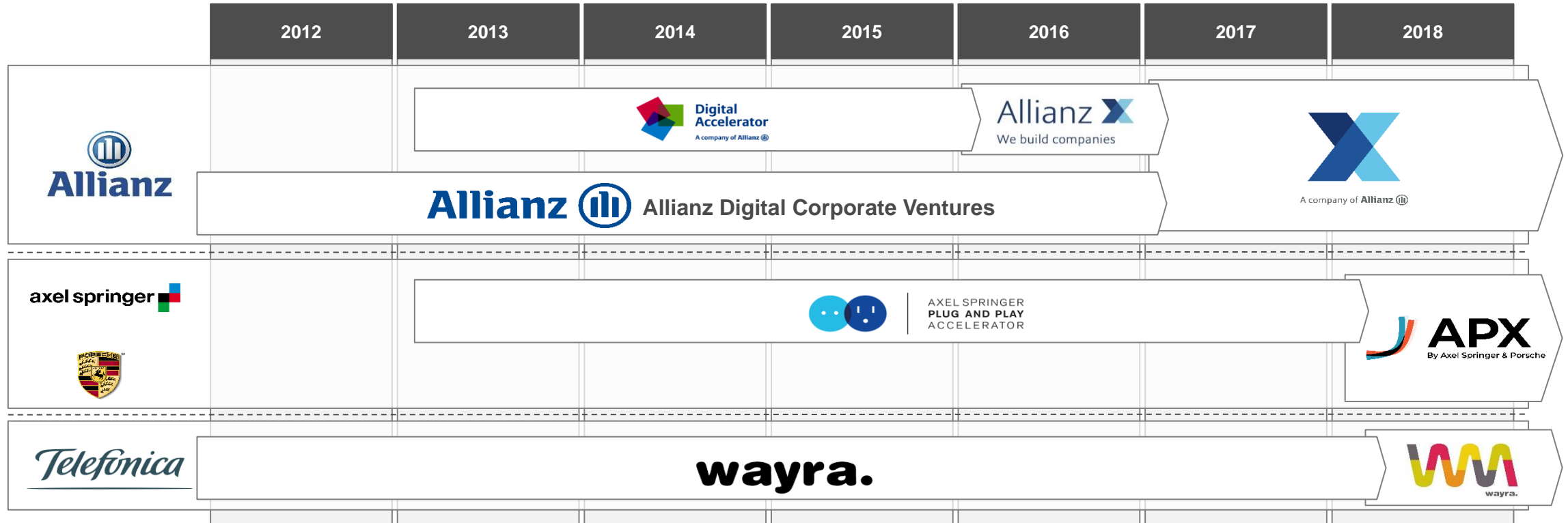
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Corporates need structure! – venture units need to provide a stage-gate process to guide the corporate and hide the creative chaos of startups

The corporate venturing landscape is changing – with popular corporate venturing programs and corporate accelerators shifting direction over the last years...

Changing corporate venturing landscape

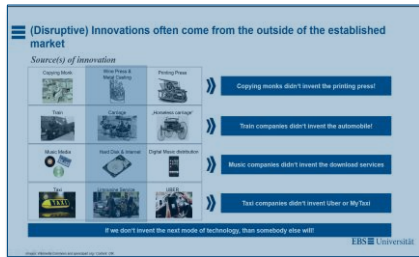
illustrative



It is not just the high number of **new program launches** that seems to make the news, but also their **relaunch**!

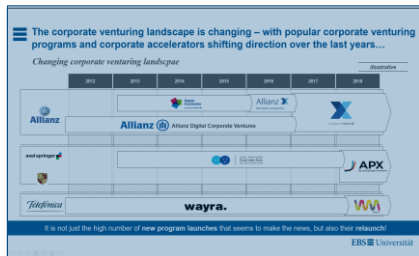
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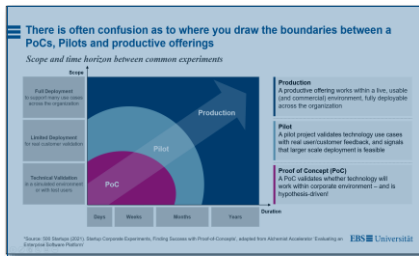
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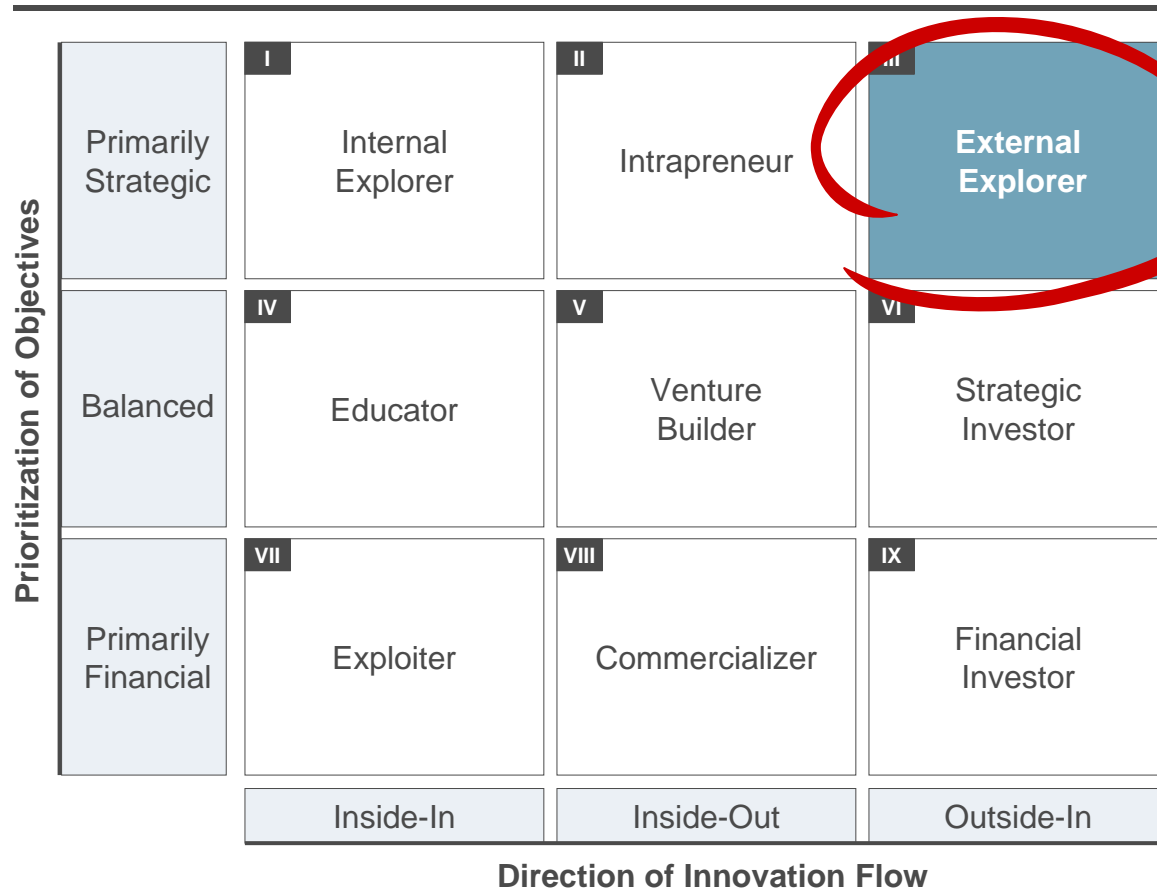
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The 'External Explorer' strategically bridges the gap between corporations and startups making external innovations accessible

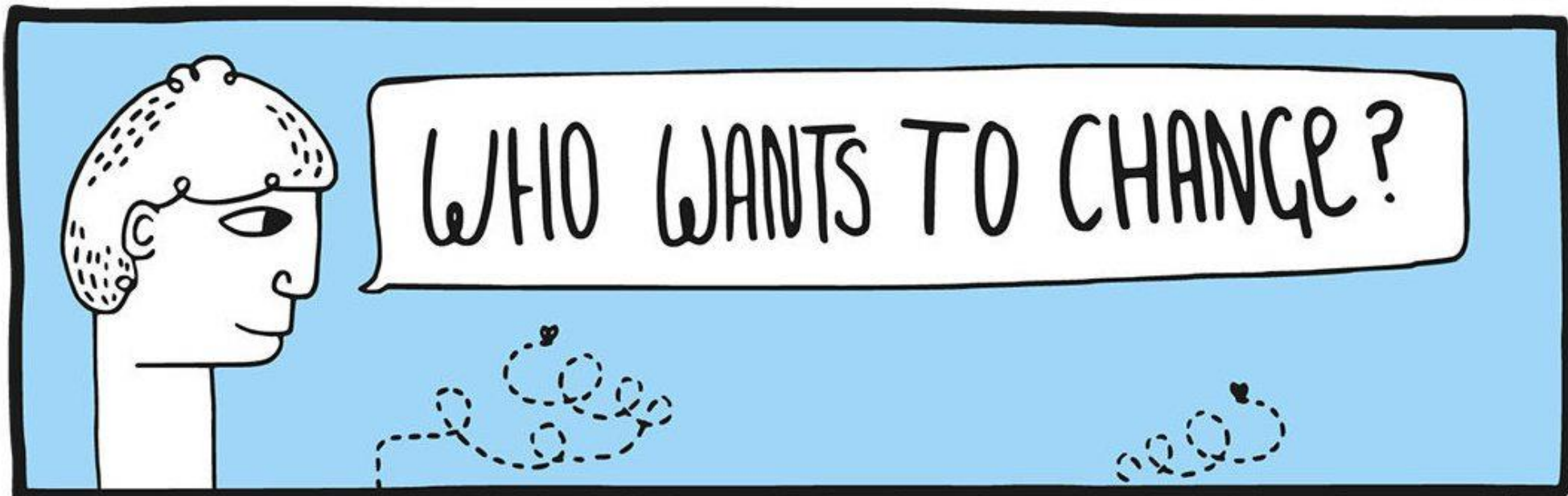
Introducing a coherent Corporate Venturing Framework: External Explorer

Corporate Venturing Framework along two dimensions



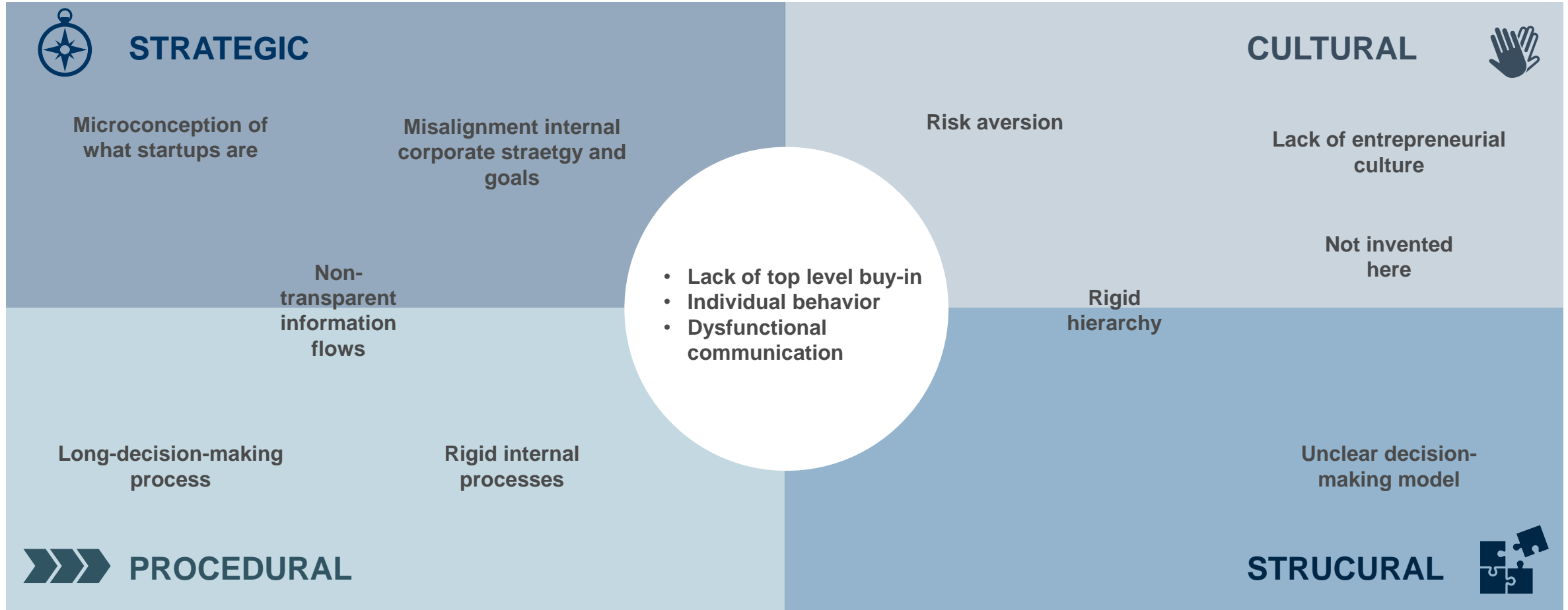
External Explorer

Description	<ul style="list-style-type: none"> Exploring strategic activities that arise outside the boundaries of the corporation, where thus innovation flows outside-in It encompasses all activities which help making use of the potential value beyond the horizon of a company bridging the gap between themselves and the startup world This represents explorative models of engaging with startups or other external partners to support innovation and technology orientated entrepreneurial growth
Examples	<ul style="list-style-type: none"> Startup Collaboration, Venture Client, Equity-free Corporate Accelerator BMW Startup Garage



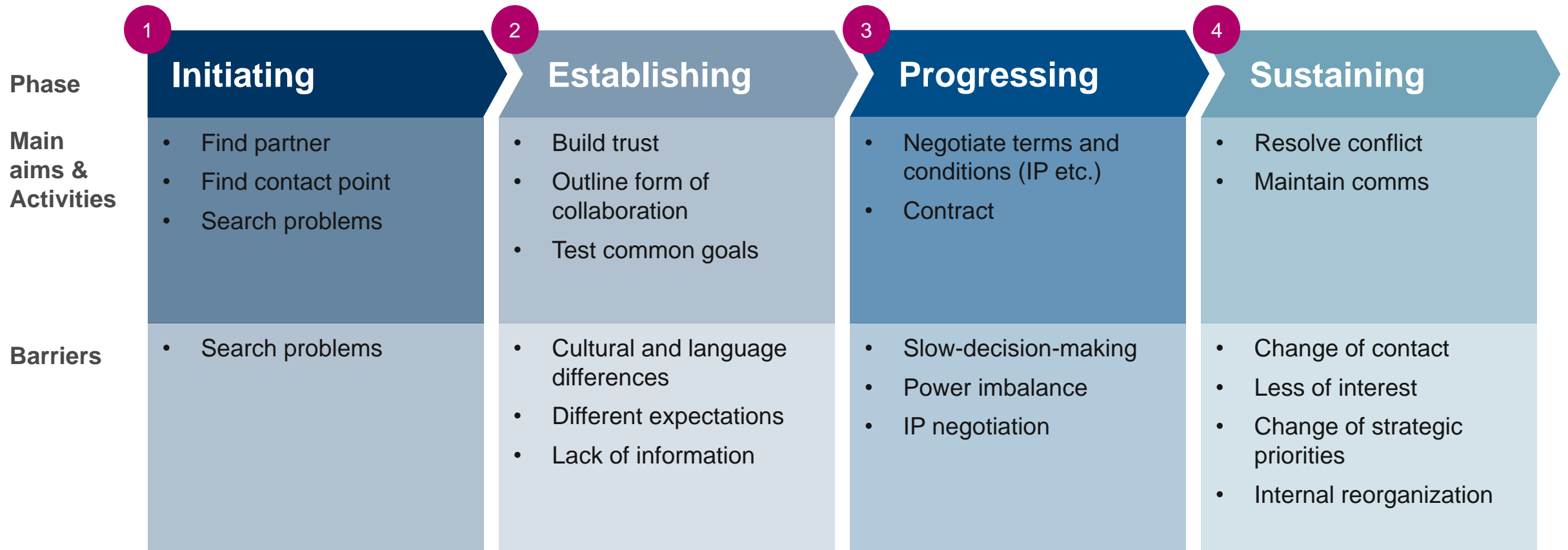
There are several internal barriers within corporates that hinder successful collaboration and can be classified into four categories

Common internal barriers to collaboration



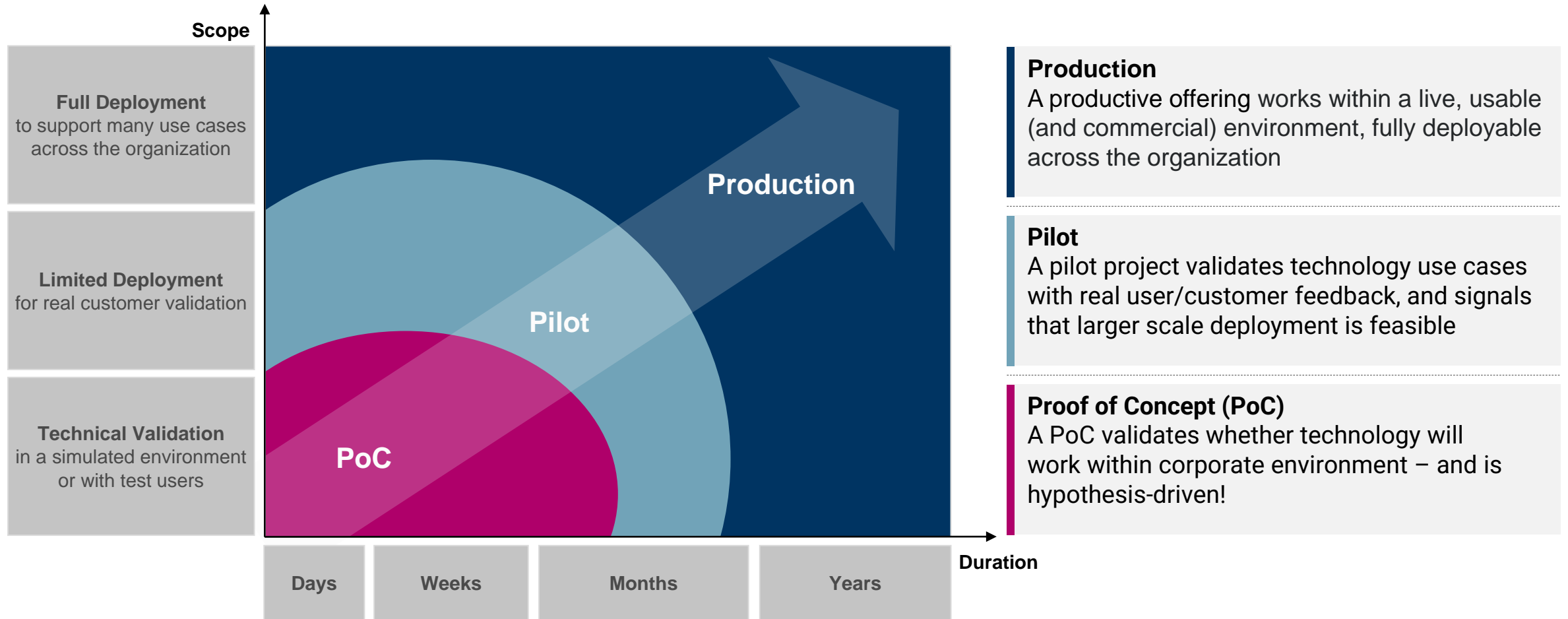
Companies face several external barriers when looking into collaborations with startups

Common external barriers to collaboration



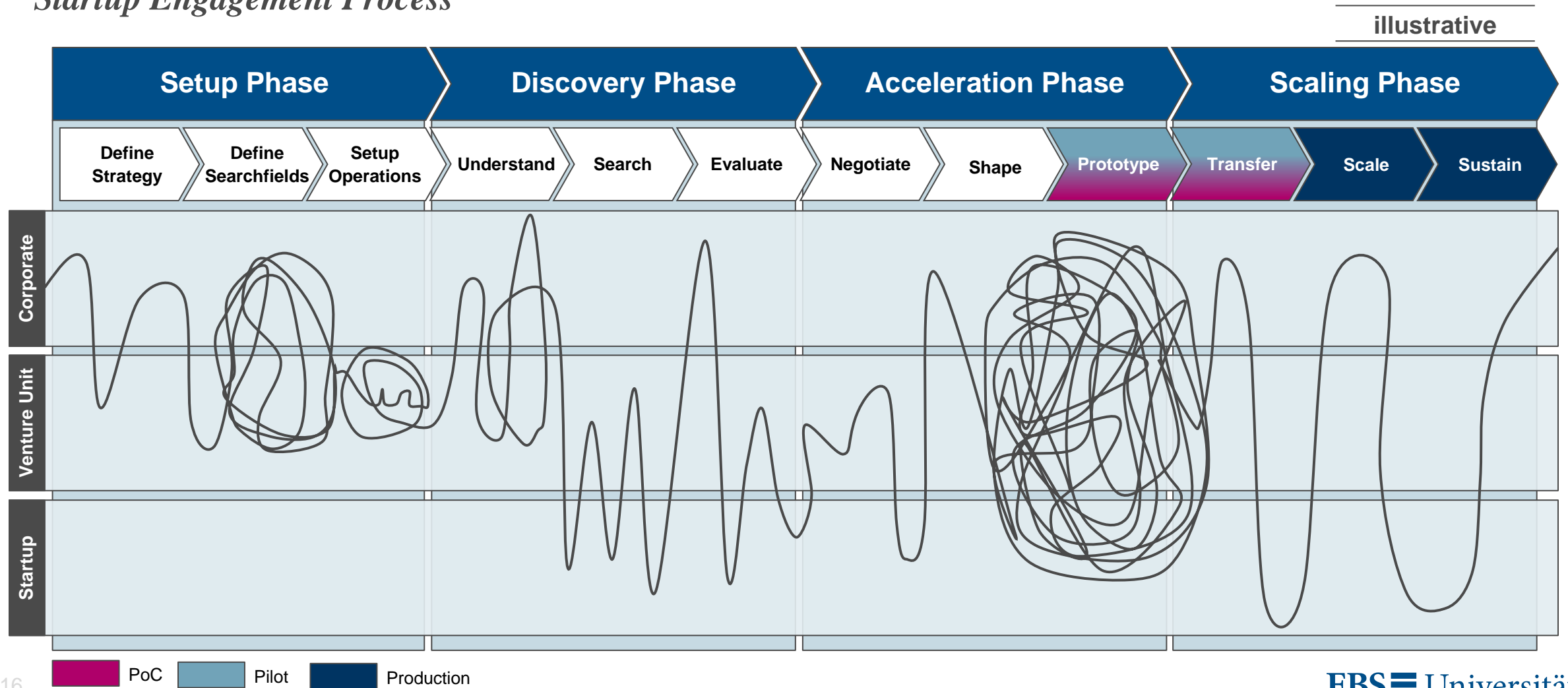
There is often confusion as to where you draw the boundaries between a PoCs, Pilots and productive offerings

Scope and time horizon between common experiments



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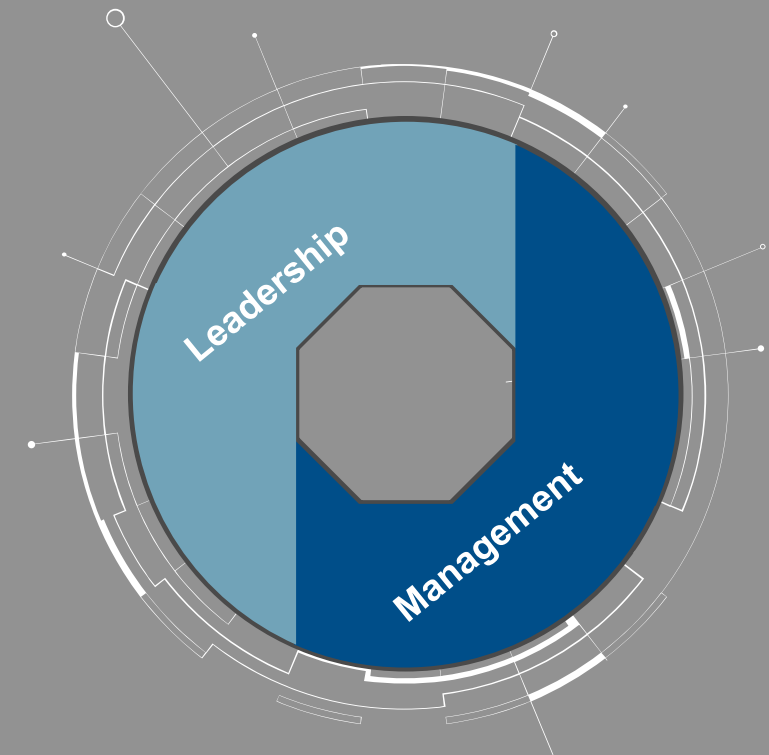
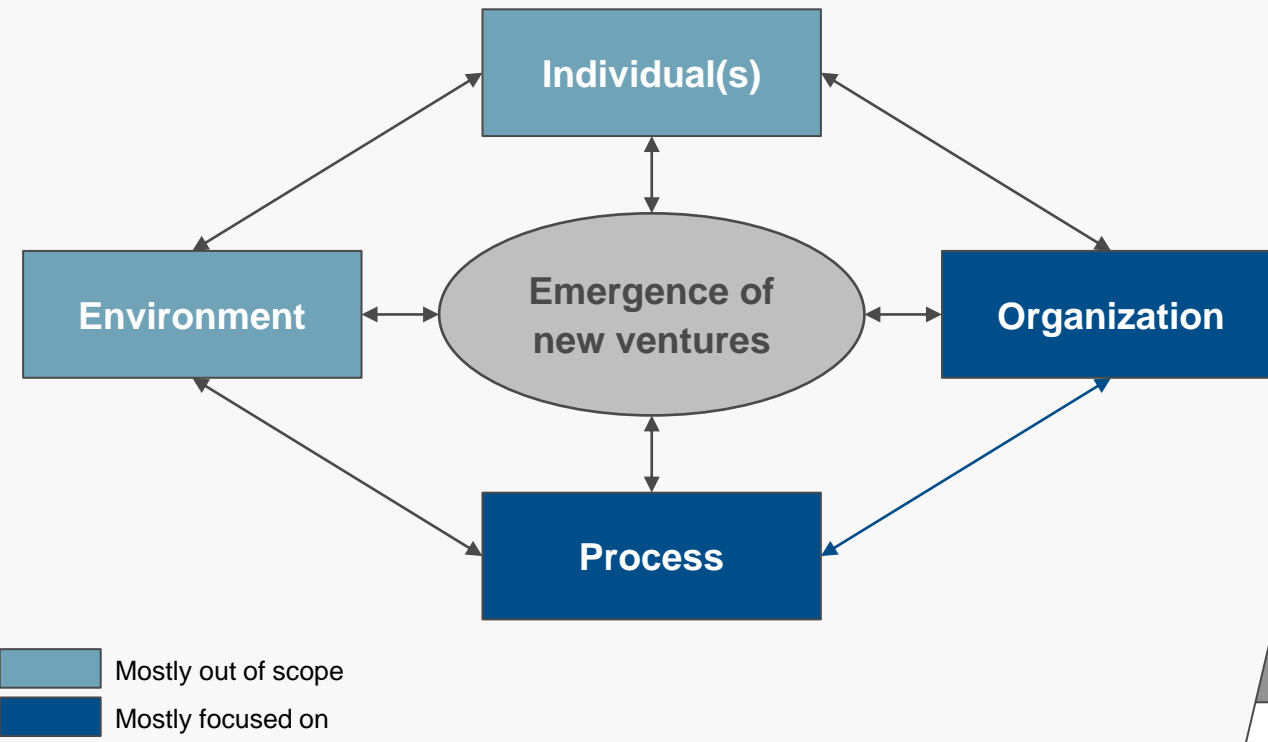
Startup Engagement Process



In innovation, we mostly focus on the hard factors like Organization and Process, forgetting to emphasize soft factors like the Environment and Individual(s)

Emergence of new ventures

Academic framework to describe the emergence of new ventures (Gartner 1985)*





**“No matter who you are,
most of the smartest people
work for someone else.”**

Bill Joy

(Co-Founder, Sun Microsystems)

≡ Contact

Feel free to get in contact with me

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Thank you!