




For all the bold co-innovators who dare to create  
value by embracing a world beyond their own.

For Harold Lorin, my beloved grandfather.

ADÈLE YAROULINA

# COLLABORATE TO INNOVATE



HOW STARTUPS AND ESTABLISHED ORGANISATIONS  
CREATE BREAKTHROUGH SUCCESS TOGETHER

Lannoo  
Campus

# Table of Contents

## Author's Note



7

## Introduction



9

## Chapter 1



Why the Future  
Belongs to  
Collaborative  
Innovation

15

## Chapter 2



How to Find  
the Right Startup  
Partner

31

## Chapter 3



The Co-Innovation  
Builder Framework:  
The Startup  
Perspective

51

## Chapter 4



The Co-Innovation  
Builder Framework:  
The Large Organisa-  
tion Perspective

81

## Chapter 5



The Co-Innovation  
Builder Framework:  
Designing the Collab-  
oration Together

107

## The Final Case



139

The Floor Is Yours  
References  
Thank You  
About the Author

145  
149  
157  
159



## INTRODUCTION

# Author's Note

Since I started my career at a tech startup, my innovation journey has taken me through hundreds – if not thousands – of conversations with startups, corporates, public institutions, innovation hubs, governments, and organisations of all kinds. I have spoken with business leaders at every level, across sectors and geographies. Throughout these inspiring encounters, one pattern I have consistently observed is that when two completely different worlds meet, it often creates friction and defensiveness. But even when contrasting mindsets collide, they still manage to connect, collaborate, and build something meaningful despite all the complexity. Often, it is these very differences that ignite the

spark needed for creativity and innovation. And that is exactly what I love. It was this fascination – and the potential I kept witnessing – that led me to explore collaborative innovation between startups and large organisations more deeply. Yet one question kept resurfacing: *Why?* Why do some collaborations thrive, while others stall, fade out, or become painfully difficult to navigate? That question kept me up at night. It led me on a search – not just through theory, but through hundreds of real-world conversations with professionals in the field – to understand what makes a collaboration succeed, and what makes it fall apart. This book is the result of that journey.





# Think Ahead or Fall Behind

In today's fast-paced business world challenged by technological disruptions, societal shifts and economic volatility, innovation is no longer a mere buzzword tossed around in meeting rooms as a fleeting spark of creativity. It is a matter of survival. In these unusually uncertain and confusing times, playing it safe could paradoxically be your biggest risk. Those who resist change risk fading into obscurity, overshadowed by the bold visionaries shaping the future. More than ever, organisations must embrace agility, adaptability, and a willingness to seize new opportunities to stay ahead of the competition. Innovation is a power-

ful force that is shaping the world we live in today. Artificial Intelligence (AI) and other transformative technologies are evolving at an exponential speed, ambitious tech startups are disrupting entire industries from the bottom up. The fear of missing out is real. However, rather than viewing startups as a threat, leaders audacious enough to see the potential of teaming up with forward-thinking, growth-promising entrepreneurs are turning innovation challenges into opportunities and locking in future growth by reshaping the market alongside their innovation partners.

An increasing number of well-established organisations are accelerating both internal innovation and market competitiveness by partnering with startups. Collaboration is where the value is created, the sweet spot where agility meets scale – and that is where the real magic happens. Collaborative innovation offers a window of opportunity to leap ahead while everyone else hesitates. It brings together different perspectives, resources, and skills, benefiting both sides when done right. That means good planning, open communication, and the right tools to support the process. Like any meaningful partnership, it also demands patience, discipline, and a shared willingness to learn, adapt, and grow. Nonetheless, the narrative that working with startups is risky or destined to fail continues to persist. While such partnerships can be inherently complex and challenging, they also present significant opportunities. Leaders who dare to experiment with technology, think differently and challenge assumptions, as well as embrace new fresh ideas, are leading the way in transforming the future.

### **Collaborative innovation is within reach...**

The goal of this book is to demonstrate that a successful, win-win collaboration between a large organisation and a startup is not only possible, but can also add significant val-

ue to your business, setting you apart from the competition. Ultimately, this book aims to empower organisations to enhance their collaborations and build more impactful partnerships that drive meaningful change and tangible Return on Collaboration (RoC). By working together, you can solve complex problems, uncover innovative solutions and create groundbreaking products or services that truly meet the needs of your internal and/or external customers. A standout example of successful collaboration between a well-established organisation and a startup is Repsol, a multinational company leading the Spanish energy sector, and Finboot, a digital technology firm specialising in blockchain solutions for enterprises. This case draws on a recent conversation with Natalia Álvarez Liébana, open innovation senior analyst at Repsol, whose insights shed light on how the partnership unfolded – from early-stage experimentation to full-scale implementation and strategic investment.

In 2017, Repsol began a transformative journey with a then-nascent startup called Finboot, whose team had only an idea: applying blockchain to enterprise operations. That idea soon took shape through Repsol's Entrepreneurs Fund, a startup acceleration programme by Fundación Repsol, designed to support breakthrough innovations for energy

transition. During the acceleration phase, Finboot developed Block Labs, a blockchain-based platform tailored to meet corporate needs such as supply chain traceability and smart contracts. Together, Repsol and Finboot carried out a proof of concept that tackled a long-standing operational issue: the manual, paper-based tracking of petrochemical samples. Using blockchain, the new system digitised and secured the traceability of these samples from refineries to laboratories – boosting safety, transparency, and efficiency.

By 2019, BlockLabs was no longer a pilot – it had become a core part of Repsol’s operational toolkit, implemented across several of its major energy complexes. That same year, Repsol took the collaboration further by investing in Finboot through its corporate venture capital arm, Repsol Corporate Venturing. Finboot’s journey did not stop there. The credibility and scale gained through Repsol opened new doors: partnerships with major organisations such as Stahl, Desigual, and the London Chamber of Arbitration and Mediation. As of 2021, Finboot has set up operations in Cardiff, Wales, backed by a £2.4 million equity investment round, with Repsol proudly reaffirming its role as both a customer and strategic investor.<sup>1</sup>

This is just one illustration of how meaningful collaboration can drive success – even between partners as different as a nimble startup and a well-established corporation. It shows that when the right conditions are in place, such partnerships can create real, mutual value. And this is far from an isolated case. Throughout this book, you will discover many more examples of large organisations, both private and public, that have learned to navigate the complexities of startup collaboration. These are not just short-term alliances; they often grow into long-term, evolving relationships built on trust, adaptability, and shared purpose.

### ... With the right tools!

Despite the growing prominence of collaborative innovation, identifying the appropriate approaches and tools to facilitate the set-up of a successful partnership remains a challenge. In order to address this, the book introduces a practical tool: the *Co-Innovation Builder (CIB)*. Designed to support both startups and large organisations of any kind, the CIB enables more effective communication and collaboration, paving the way for smoother, more productive partnerships. The tool helps to identify the key elements for building a successful collaboration between startups and large organisations. By presenting these elements in a clear and intuitive

format, both startups and large organisations can develop a shared understanding of collaborative innovation and more easily identify opportunities and areas for improvement. The tool functions both as a diagnostic tool for existing collaborations and a blueprint for forging new ones.

### Is this book for me?

Whether you are a corporate manager who realises that tech startups are an inherent part of innovation strategy, a visionary public institution leader determined to stay ahead of the curve, an entrepreneur eager to understand how established companies think and operate, a student or educator striving to offer a comprehensive picture of innovation or you are simply curious about collaborative innovation, this book is your essential guide to making it happen. In this book, you will not find dense academic jargon or impenetrable theoretical frameworks that gather dust. Instead, this is a practical, action-oriented guide with validated hands-on tools and real-world testimonials from those who have made collaboration work and share their inspiring stories of both successes and setbacks. It is a roadmap to making collaborative innovation a reality.

### What should you expect?

This book is structured as a step-by-step journey to mastering collaborative innovation. Each chapter explores a key aspect of collaboration, equipping you with the tools, knowledge and inspiration to make it work.

Chapter 1 defines collaborative innovation and explores why it is more relevant than ever. You will gain a clear understanding of its immense potential and how both startups and large organisations can leverage it for success. This opening chapter also introduces the Co-Innovation Builder, a hands-on tool that will be explored in depth throughout the book.

Chapter 2 outlines the collaborative innovation process starting with a deep assessment of your organisation's needs, followed by articulating a strategic challenge worth solving, defining clear scouting criteria, and identifying as well as qualifying startups that match those priorities and established filters through initial conversations to assess fit and potential.

Chapter 3 takes a deep dive into the Co-Innovation Builder tool from the startup perspective. You will step into the startup's shoes to explore the key elements that enable successful collaboration. The process shifts from preparation to

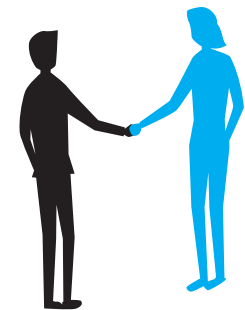
execution: the rocket is fuelled, it is time to launch. The focus turns outward as the moment arrives to meet your partner. This chapter offers a rare, unfiltered view of how startups experience and prepare for co-innovation, serving as an invitation for large organisations to see collaboration through a startup's lens. Case studies from startup founders bring these insights to life.

Chapter 4 delves into the Co-Innovation Builder tool from the perspective of well-established organisations. After developing in-depth on each component essential to collaboration, you will gain insights from corporate and public-sector leaders who have successfully partnered with startups. Their experiences provide valuable lessons and inspiration for building impactful, lasting partnerships.

Chapter 5 guides you through the critical steps of structuring an effective collaboration. It covers essential elements such as defining a common goal, exploring different collaboration formats, setting clear outcomes, KPIs, and milestones, and identifying potential risks. Drawing on lessons from those who have built high-impact partnerships, this chapter offers practical insights to help you lay a solid foundation for lasting collaboration.

Throughout the book, you will find exclusive testimonials derived from direct interviews with innovation and open innovation professionals across Europe and beyond - including experts from NATO, the European Commission, Repsol, MAPFRE, and many more. Their real-world insights provide a rare, behind-the-scenes look at what it takes to drive successful collaboration between startups and large organisations.

Together, we will embark on a journey that takes you beyond theory and into the real world of collaborative innovation. Whether you are launching a new partnership or refining an existing one, this book will equip you with the knowledge, insights and confidence to make collaborative innovation work.





## CHAPTER 1:

# Why the Future Belongs to Collaborative Innovation

## THE EVOLUTION OF INNOVATION

As the pace of technological disruption accelerates and traditional business models continue to be eroded, the rules of innovation are being rewritten. Once confined to internal R&D teams and fortified labs, innovation now thrives in open, dynamic, and distributed networks. The next wave of breakthroughs will not come from working alone, but from building together. This chapter explores why collaboration, particularly with startups, is emerging as a defining strategy for future-focused organisations. It traces the evolution

from closed to open innovation and explores how open innovation compares with collaborative innovation – a more structured, strategic approach in which large organisations and startups co-create value through mutually beneficial partnerships. Through data, real-world examples, and practical insights, this chapter sets the stage for a hands-on roadmap to startup collaboration. It introduces the logic, urgency, and opportunity behind co-innovation – and why those who fail to engage risk being left behind by those who do.

In 1958, the average lifespan of a large-cap company listed on the Standard & Poor's (S&P) 500 was 61 years. Today, it is less than 18 years.<sup>2</sup> A major driver of this shift is technological disruption. Over the past few decades, technology's share of the S&P 500 has grown dramatically. As Janet Bannister, Founder & Managing Partner of Staircase Ventures, shared in a recent exchange: "In 1980, technology stocks accounted for 6 percent of the S&P 500; today it is close to 30 percent. Technology is disrupting every industry, and companies need to disrupt or be disrupted." While this reflects the US market, the underlying trend is global. Technology is transforming industries at speed, and businesses everywhere must adapt or be left behind. Ride-sharing apps such as Uber, Bolt, and Lyft have revolutionised transportation by replacing traditional taxi services with app-based platforms offering real-time tracking, dynamic pricing, and greater convenience. In the automotive sector, electric vehicle pioneers like Tesla have redefined mobility through advancements in battery technology, autonomous driving, and sustainable energy, prompting traditional carmakers to accelerate their shift towards electric models. E-commerce platforms such as Amazon, Alibaba, and eBay have reshaped retail by enabling online shopping at scale, offering greater selection, competitive pricing, and fast delivery – pressuring

traditional retailers to digitise. Likewise, food delivery apps like Uber Eats, Takeaway, and Deliveroo have disrupted the restaurant industry by providing on-demand meals through mobile apps, creating new models like cloud kitchens and dramatically changing consumer dining habits.

Europe lags behind in most critical technologies, from artificial intelligence and quantum computing to 5G deployment, according to McKinsey Global Institute.<sup>3</sup> To stay competitive, European decision-makers need to move faster and think bigger by, for instance, taking more risks, setting bolder long-term goals, and leveraging strategic alliances to build scale and capabilities. As disruption deepens, complacency is a luxury no company can afford.





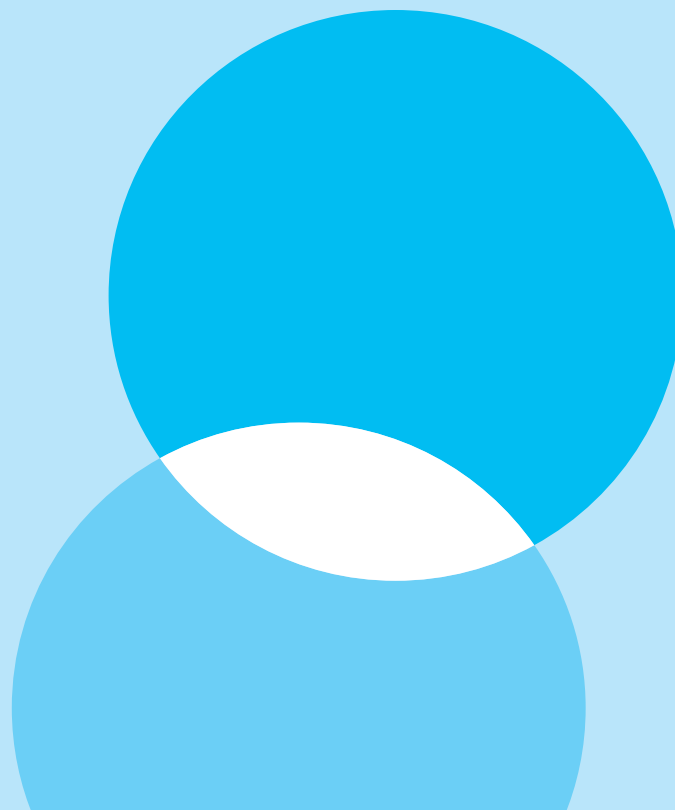
## Disrupt or Be Disrupted: Established Players Must Adapt Fast

*“In 1980, technology stocks accounted for 6 percent of the S&P 500; today it is close to 30 percent. Technology is disrupting every industry, and companies need to disrupt or be disrupted.*

*Technology is developing faster than ever before, and this means that disruption is happening faster than ever before. In every industry, the question is: will the incumbents embrace a technology-first future, or will the new, upstart, tech-driven players get the distribution first? History shows us that, more often than not, the new entrants win because the incumbents underestimate the magnitude of the impending change.*

*I have studied how technology has changed industry after industry, from retailing to media to financial services. In virtually every case, the large, established enterprises were led by people who had spent their entire careers in that industry, and they could not conceive of how rapidly and dramatically their industry would be transformed. As a result, they underestimated the potential disruption in their industry, and by*

*the time they realised the extent to which technology was reshaping their industry, it was too late.” – Janet Bannister, founder and managing partner of Staircase Ventures*



These global challenges and accelerating trends are reshaping the very foundations of how companies innovate. Not long ago, organisations believed that the key to successful innovation was to keep all innovative processes in-house. Innovation was built behind closed doors, powered solely by internal resources and capabilities. Technology, intellectual property, and new ideas stayed locked safely behind the organisation's walls. That was the era of closed innovation: total control, no outsiders, fortress mentality. But fortresses, as history shows, do not always stand the test of time.

As the pace of technological progress accelerated, so too did the pressure to innovate – *harder, better, faster, stronger*.<sup>4</sup> However, agility does not flow naturally in well-established, process-heavy organisations. Consequently, numerous groundbreaking concepts and proposals often remain stagnant, trapped in strategy decks and post-it notes, never progressing beyond the conceptual stage. With time, organisations uncovered a powerful truth: innovation does not have to be a solo act. In fact, sharing knowledge and resources often leads to better outcomes than working in isolation. What started as occasional partnerships has evolved into a more sophisticated approach that is reshaping business growth and innovation. Today, successful organisations do not just

guard ideas, they amplify them by tapping into global networks of talent, shared knowledge, and insight.

## OPEN INNOVATION

There is a substantial body of literature that explores open innovation, ecosystems, and collaborative models. This book does not aim to reexamine those theories or delve deeply into their academic foundations. However, to anchor the discussion that follows, it is worth briefly revisiting what open innovation entails, and clarifying how collaborative innovation with startups fits within this broader framework.

Open innovation is a strategy built on a powerful idea: that innovation thrives not in isolation, but through collaboration. By combining internal capabilities with external ideas, technologies, and expertise, organisations can accelerate growth, solve more complex challenges, and create greater value. It is about breaking down traditional boundaries that once separated companies from the outside world and embracing the collective intelligence, ingenuity, and innovation that exists beyond their own walls. The term “Open Innovation” was first introduced by Henry Chesbrough in his influential 2003 book, *Open Innovation: The New Imperative for Creating*

and *Profiting from Technology*. Chesbrough, then a professor at the University of California, Berkeley, studied companies that successfully combined internal R&D with external input – from other businesses, universities, and startups. His key insight: businesses that open up their innovation processes consistently bring products to market faster and with a higher likelihood of success than those relying solely on in-house research and development.<sup>5</sup> This observation helped reframe innovation as an ecosystem – not a silo.

The boundary between *Open Innovation* and *Collaborative Innovation* is not always sharp. Both emphasise working with others as a catalyst for innovation, but where Open Innovation takes a broad, ecosystem-wide view, collaborative innovation often refers to more targeted, structured partnerships. What matters most is not the terminology, but the growing recognition that innovation is no longer a solitary endeavour. And within this evolving landscape, one form of collaboration stands out above all others.

## COLLABORATIVE INNOVATION WITH STARTUPS

In January 2025, the world's largest autonomous supermarket opened its doors in Portugal.<sup>6</sup> Powered by an intricate

web of AI, computer vision, and sensory data, it lets customers simply walk in, grab what they need, and leave – no checkout lines, no barcode scanners, no need for an app or card. The entire store – spanning 1,200 square metres and offering more than 10,000 items – is quietly watching, tracking, and learning. With nearly 1,700 cameras, 2,000 smart scales, and 21 servers, the system captures every movement with near-perfect accuracy. The tech behind it came not from a global giant, but from a Lisbon-based startup called Sensei. And the bold retailer that made it happen? MC Sonae, Portugal's leading retail group.

Sensei brought cutting-edge expertise in advanced computer vision, AI-powered sensors, and real-time data analytics, developing proprietary algorithms capable of identifying products and customer behaviours with unparalleled precision. Their agile approach enabled rapid prototyping and iterative improvements that would have been difficult for larger companies to achieve. On the other side, MC Sonae offered deep retail market knowledge, extensive infrastructure, and invaluable customer insights. They provided the physical space, inventory management, supply chain capabilities, and a trusted brand name that helped gain customer confidence in the novel shopping experience. Crucially, MC

Sonae's leadership was willing to take a visionary leap, embracing risk and innovation beyond traditional retail models. The partnership began from a mutual recognition of a pressing challenge: how to reinvent the in-store shopping experience in an era increasingly dominated by online retail and growing consumer demand for convenience. MC Sonae approached Sensei after hearing about their early-stage technology, curious as to whether their AI solutions could address persistent checkout bottlenecks and improve inventory accuracy. What began as a small, experimental venture became a game-changing retail model.

The result was not just a technological achievement but a testament to the power of collaboration, strategic partnership, and a long-term perspective. From the initial proof-of-concept to the eventual full-scale rollout, the collaboration thrived on shared goals and complementary strengths. Sensei's agility and technical innovation meshed with MC Sonae's market reach and operational experience. Both took calculated risks – Sensei scaling technology to unprecedented levels, MC Sonae investing in untested infrastructure – and navigated technical, logistical, and regulatory hurdles together.

If Open Innovation sets the stage, then *Collaborative Innovation with Startups* steals the spotlight. This is where the most dynamic innovation is happening. The story of Sensei and MC Sonae illustrates a growing reality: every forward-looking organisation should be paying close attention to startups. Why? Because startups are the engines of disruption. As Sensei showed, they bring breakthrough technologies, bold thinking, and the agility to move faster where incumbents often cannot. Across the innovation landscape, Sensei is just one spark in a fast-spreading fire. Tech companies such as OpenAI, Mistral AI, Stripe, Figma, Klarna or Northvolt are not just raising massive funding rounds from the world's top investors, they are rewriting the rules of entire industries. Startups are ground zero for emerging technologies, disruptive business models, and creative thinking. They move quickly, take risks, and are unburdened by bureaucracy. For established organisations, collaborating with startups is not just a box to tick; it is an essential strategy to stay relevant and competitive. Instead of thinking of startups as competition or free consultancy, they should be seen as potential partners. Partners to create more value for the company, for the consumer, and for the whole industry.