

Discover why it is important to bridge differences and build relationships that bring value to both sides











Introduction



Dear readers,

Welcome to the inspiring world of collaboration, innovation and change. A world where innovation and collaboration meet at the exciting crossroads of corporations and startups. This handbook is the result of our *Start Me Up* program, a series of events dedicated to sharing experiences and building bridges between two dynamic business spheres. In our mission to encourage participants of the innovation ecosystem to change important things together, the timeliness and relevance of the program have been recognized and supported by the European Bank for Reconstruction and Development (EBRD). On these pages, we are exploring how the synergy between corporations and startups can be crucial in creating the necessary change.

In today's fast-paced business world, in which we are faced with constant challenges and changes, we are aware that we cannot predict either the future or the future of innovation. However, one thing is certain—we need collaboration to solve the present and future challenges. In this handbook, we discover how partnerships between corporations and innovative startups can accelerate innovation and bring mutual benefits.

Global disruptions such as the Coronavirus, supply chain disruptions, inflation, and armed conflicts have proved once again

that the innovative power of startups is enduring. Following a record funding growth in 2021, the year 2022 was a more challenging investment environment for startups, making collaboration an even more crucial source of funding.

Our mission is clear. We want to encourage collaboration that transcends traditional business models and cultivates an ecosystem of growth and development for everyone involved. This handbook is not just a theoretical guide, but a collection of real experiences, case studies, and practical resources. We bring you stories of successful collaborations that have transformed both startups and corporations, contributing to creating exceptional value for users and broader society, thereby not only shaping business models but also positively impacting society as a whole.

This handbook is intended for everyone who aspires to be part of this change: leaders, entrepreneurs, innovators. Our goal is to inspire new collaboration models that will shape the future of business, which we believe rests on a collaborative approach.

We invite you too to join us on our mission to change important things together and on our the path to a more innovative and successful future.



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About the **Start Me Up** program



The Start Me Up program was designed as a series of educational and matchmaking events aimed at corporations and startups. The purpose of these events is to facilitate networking and the establishment of future collaborations between corporations and startups, making it a unique initiative in the startup ecosystem in Serbia. The program allows direct contact between corporations, which understand the importance of innovation and are seeking solutions to improve their business, and startups which need corporate support for validating and testing their ideas and solutions, acquiring new users, or getting other types of corporate support.

The first event was realized in 2022, and by the end of 2023, a total of 7 events had been organized with 443 participants. The high number of event participants confirms that there is a need for more useful and practical information about the collaboration of these two interested parties, and it is necessary to find a solution to meet these needs and enable a greater number of successful collaborations in practice.

To meet these needs, Start Me Up events are segmented into the following areas:

- Panel discussion/case study: Presenting corporations and startups that have already established a collaboration.
- Thematic talks/discussions with domain experts: Discussions with participants on defined topics relevant to the collaboration between corporations and startups.

 Speed dating/networking: Time allocated for presenting startups to corporations interested in collaboration.

An important segment of the event is the educational part where participants from corporations and startups that have already collaborated can share their experiences of how their collaboration has started and evolved, the obstacles they have encountered along the way, and how they have overcome them. There have been 7 panels with case studies regarding collaboration, featuring representatives from 9 different corporations and startups.

Equally important are the thematic talks where corporate and startup representatives can learn more about current collaboration and partnership programs and support startup programs. Participants have discussed 24 different topics at the Start Me Up events so far.

Participants have recognized speed dating as the leading value of the program. Considering how difficult it is for startups to get in touch with the right corporation and for corporations to find startups they would like to discuss potential collaboration with, it is clear why speed dates are rated highly by the participants.

The number of speed dates has increased over time, resulting in a total of 330 meetings between startups and corporations across seven events.



START ME UP **Statistics:** events panels dates case thematic studies talks

Participant testimonials about Start Me Up events:

Ana Ninković, Innovation manager @Al Srbija

"These events provide us with an opportunity to access the ecosystem and network with other key stakeholders more easily. The key thing is the contacts that emerge from these events."

Dejan Tonić, Associate @EBRD

"Aware of our institution's capacities and our program, we can develop a network of partnerships with different institutions that support businesses in various segments of the economy. Being able to get acquainted with the best businesses and with those who want to start a business is seen as the key value at these events."

Nataša Rađenović Živanović, Chief Innovation Officer @OTP banka Srbije

"Start Me Up is a brilliantly designed concept that enables efficient and focused connection. We had the opportunity to hear stories and experiences about and from various businesses and establish collaboration with several startups in multiple directions, not just strictly related to our core business."

Mihajlo Nikodijević, Co-Founder & General Manager @Tapni

"Start Me Up events enable us to connect with other startup founders and co-founders and share experiences and common 'troubles'. Moreover, the opportunity to connect and establish collaboration with corporations present at match-making events is much valued."

Željko Bošnjak, Co-Founder @Bitebell

"As a company whose product brings value to a large number of different users in the ecosystem, we strive to collaborate with the corporations whose CVC has funded us. Every business relationship is a two-way street, and it is only natural to look for the creation of synergies anywhere possible."





Benefits of collaboration for corporations and startups

The value of using complementary capabilities and the potential impact of partnerships between startups and corporations can be truly significant. For a small and fast-growing startup, this might mean having to leverage distribution channels, build a reputation to initiate other partnerships, and/or validate their technology or business models. For corporations, it can be an opportunity to expand their product offerings, quickly mitigate testing risks, acquire innovative technologies, foster innovation within the company, and/or acquire new skills or creative talent

Benefits for corporations



1. Solving specific business problems

Through collaboration with startups, corporations can more efficiently find new and innovative solutions to specific challenges, either by using an already developed solution or by codeveloping it with a startup.

2. Offerings and/or market expansion

Through joint development, purchase, or distribution of startup products corporations can significantly expand their business offerings in the existing and new markets.





3. Innovating a big brand

The perception of partners, clients, and future employees towards a corporate brand changes and gets associated with concepts like innovation.

4. Revitalizing corporate culture When working with startups and tech talents, large companies can come across new cultures that are shifting towards more agile ways of working and thinking. Consequently, this allows for the exploration of new trends and technologies.



Benefits for startups



1. Access to resources

Whether we are talking about financial, infrastructural, or expert resources, startups can gain access to them much faster through collaboration than they can independently.

2. Market access

This is one of the key collaborationrelated benefits for startups. Corporations already have established distribution channels and market presence and developed marketing strategies and branding, which can only help startups in promoting and marketing their products or services.



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3. Credibility and brand association

Collaborating with well-known and established corporations significantly boosts the credibility of startups in the eyes of consumers, investors, and other business partners.

4. Research and product development

The corporate environment offers startups a controlled space for testing and developing products, as well as for designing and tailoring them to real market needs, with guidance and advice from domain experts and business development mentors.



Common mechanisms for collaboration

There are multiple ways corporations and startups can establish a partnership that can deliver some of the previously described benefits. Some require more involvement from both sides, some require more time, or are more financially demanding, and some can have a greater impact on transforming the culture and ways of working for the corporation. There is no one-size-fits-all collaboration model, but there are advantages that come from all types of partnerships.

We present to you the most common mechanisms for establishing and implementing collaboration:



 Corporations use one-time events, like competitions and hackathons, to attract startups, foster innovation, and enhance corporate culture. Although they efficiently expose all parties to new ideas, these events require careful consideration of startup needs and do not immediately bring visible business benefits





2. Resource sharing with startups can be a beneficial way for corporations to build a more innovative brand. However, these programs, especially ones providing free tools, do not immediately bring visible returns in business relationships. It is important to understand the needs and ensure that the free resources match the requirements of startups. Types of resources that corporates can share include free tools such as access to services, products, and co-working spaces (access to offices, meeting spaces, and high-speed internet).

3. Corporations launch various **business support programs** such as *incubators and accelerators*, which help early-stage startups to grow and be ready for investments, market entry, and further expansion. These programs can be effective tools for fostering cultural change and internal learning through engaging employees as mentors or advisors. Incubators and accelerators, which have become popular in the last fifteen years, typically focus on groups of startups and offer intensive support over a limited time, often in exchange for a share of ownership. They provide an environment where startups can rapidly learn, test, and iterate their business models with mentors and peers, usually culminating in a 'demo day' for investors.







4. Strategic business partnerships vary from short-term, transactional engagements to long-term relationships. For startups, particularly attractive are joint product development and procurement. Joint development involves collaborating on the development of products or services and depends on clear objectives, budgets, and time frames for collaboration. Procurement from startups provides corporations access to new technologies and business models, while giving startups product validation and can be key to their success or arowth.





Direct investments in startups, or corporate venturing, allow corporates access new markets and technologies with less capital and more speed than internal research. collaboration mechanism has been experiencing growth in recent years, with corporations establishina special departments and funds for investing in startups (Corporate Venture Capital - CVC). While financial return is important. the greater emphasis is on strategic advantages, such as interaction with new technologies.





6. Acquisition of startups enables quick acquisition of technologies and skills for addressing business challenges and entering new markets. Particularly noteworthy is 'acquihiring', a strategy of buying companies to acquire talented teams, not just technology.

Figure 1. Collaboration framework, indicating how common types of startup programmes tend to deliver against key objectives to work with startups. Darkness of the field indicates stronger suitability to satisfy key objectives.



Source: Mocker, V., Bielli, S., & Haley, C. (2015). Winning Together: A Guide to Successful Corporate-Startup Collaborations. NESTA., p. 12

Slika 2. ukazuje na posvećenost resursa od strane korporacija i startapa za saradnju kroz različite mehanizme.



Source: Mocker, V., Bielli, S., & Haley, C. (2015). Winning Together: A Guide to Successful Corporate-Startup Collaborations. NESTA., p. 16



CORPORATIONS



All initiatives must be justified by a clear return on investment (ROI), creating a very specific and often limiting decision-making process that can reduce the propensity to adopt external innovative solutions.



Strict corporate policies and regulations can narrow the space for creativity and experimentation, which can slow down innovation and reduce the flexibility needed by startups for rapid development and adaptation to changing market conditions.

Common ground: THE WILL TO CHANGE



Ownership of the product, rapid decision-making, and an agile structure create more opportunities for disruption and innovation.



Although innovative and flexible, they often lack the experience or structure necessary for effective scaling, which can be a challenge when collaborating with corporations looking for scalable solutions.

STARTUPS

Case studies examples of successful cooperation

What happened after the first encounter between OTP Bank and Protokol.io?

Nataša Rađenović Živanović, Chief Innovation Officer at OTP Bank Serbia, and Đorđe Zdravković, co-founder and CEO at Protocol.lo, presented their story about how they started their collaboration aimed at expanding the bank's offer to make it more accessible to small businesses. The goal was to strengthen the business digitization process.

You may see the case study here:



About the cooperation between one startup and one company through the startup program

Daniela Perović, Innovation Management Manager at the Mozzart company, and David Antonijević, Co-Founder of Match IT, talked about their cooperation which started at one of the startup programs – Univerzum, which was launched by Mozzart.



How to connect corporations and startups – the story of the cooperation between TS Ventures Fund and BiteBell

Davor Sakač, Director of TS Ventures Fund, and Željko Bošnjak, Co-Founder of a technology startup BiteBell, discussed their experience after the investment BitBell received from the Fund.

You may see the case study here:



How to connect corporations and startups – the story of the cooperation between NIS and EM Analytic Solutions

Ivana Đorđević, head of the project office for the NIS digital projects, and Milan Nedeljković, executive partner of EM Analytic Solutions (EMAS), told us the story of their collaboration that started when EMAS and NIS became partners at the Tech Engine challenge platform.



Al partnership: co-creation with the Abstract startup

Ljubica Vojinović – ICT Product Development Team Manager; Ana Ninković – Innovation Manager for Al Serbia; Nikola Budanović – Editor In Chief; and Tamara Grbić – Partnerships Manager for the Abstract startup, presented their collaboration through a series of educational activities for the Al business users on the topic of digital security.

You may see the case study here:



How to connect corporations and startups – the story of the cooperation between Mercator-S, Nelt and Igigi Shopper's Assistant

Jelena Mitrović for Mercator-S, Director of the In-store Communications Sector of Nelt Baby Food Factory (Nelt BFF), Marina Guzijan, Market Insight Manager, and Nikola Nenadić, Founder and CEO of a startup Igigi Shopper Assistant, spoke about their cooperation that contributed to a more successful positioning of the innovative product by Nelt BFF in the retail stores of Mercator-S.





How to connect corporations and startups – two stories about collaboration: OTP Bank and Agremo; Delta Holding and Smart Watering

The story about a successful cooperation created through the Startup Booster program by OTP Group was presented by Nataša Rađenović Živanović, Chief Innovation Officer at OTP Bank Serbia, and Maja Kostić, Key Account Management Lead at Agremo. The second story that started through the startup program D Incubator, was shared with us by Ivan Vasić, Director of the Information Technology Sector at Delta Holding, and Lazar Jovanović, Executive Director of the Smart Watering startup. Conducting a proof of concept solution and then investing in a startup is an excellent example of cooperation in the domestic market.



How to best prepare for collaboration? To avoid common challenges in establishing and implementing collaboration, we offer a range of advice for both corporations and startups, useful for preparation, planning, and executing various mechanisms and collaboration programs. CORPORATE - STARTUP COLLABORATION | 14

FOR CORPORATIONS

Basic questions that corporations should have answers for before engaging in activities that introduce innovation into the corporate environment:

- WHAT are we trying to gain by engaging with the innovation ecosystem participants, such as startups?
- WHO exactly should we engage with?
- WHO on the corporate side should conduct the engagement?
- **HOW** do we implement the chosen engagement activities?

List of important tips for preparing for collaboration:

- 1. The vision and strategy of the collaboration should be clearly defined.

 Setting long-term intentions regarding the company's collaboration with startups and aligning collaboration goals with corporate objectives enables the appropriate level of effort devoted to achieving maximum success.
- 2. Introduce appropriate governing structures. A good partner identifies criteria for evaluating the impact of collaboration with startups and monitors progress at the highest management level. Awareness of the company's potential, and allocation of power and internal accountability, enables

appropriate prioritization of activities and resources to steer the collaboration.

- 3. Establish appropriate processes. Efficient partners develop specialized support processes, not only for attracting partners by demonstrating their readiness for collaboration, but also for engaging in collaboration activities at a greater scale, enhancing efficiency and longterm sustainability of success when collaborating with startups.
- 4. Be open to cultural change. An optimal partner is ready to embrace new startup approaches, embed startup collaborations into their usual business activities, and take on their internal pain points and challenges. Moreover, successful collaborators are supportive of the startups' development and growth, and they show that through the sharing of expertise, feedback, and market validation.
- 5. Provide appropriate support to the startup ecosystem. Successful corporate collaborators engage deeply with the startup ecosystem as a whole, gaining a better understanding of the solutions and innovations happening on the market and recognizing that the overall startup engagement pays off both in the midterm and long-term



FOR STARTUPS



Startups also need to answer key questions before starting their collaboration with a corporation:

- WHAT do we want to achieve by collaborating with a corporation?
- **WHY** is this corporation the right partner for us?
- WHO can help us identify the right person within the corporation?
- WHAT are the potential risks and how can we mitigate them?
- **HOW** will this collaboration affect our long-term development?

List of important tips for preparing for collaboration:

- Set a clear goal for collaboration. Successful partners approach
 collaboration with corporations with a clearly defined objective
 in mind. Pursuing the right goal enables them to tailor their
 collaboration activities to ensure success. Balancing one's
 collaboration is more important than other needs and objectives.
- 2. Choose the right time for collaboration. Efficient partners choose the right moment to contact a potential corporate partner, taking into consideration the readiness of their product and team. They are ready to act quickly when an opportunity arises, but also to wait patiently when necessary.

- 3. Research and present the benefits of collaboration. Experienced collaborators validate prospects thoroughly, they understand why it makes sense for the corporation to work with them and vice versa. Furthermore, they are very well prepared and know exactly how to pitch the collaboration value to prospective partners.
- 4. Persuasively communicate your solution. Good startup partners understand and can communicate their solution's relevance, and they listen and ask probing questions during various discussions to get a closer understanding of the corporation's unique needs. They also ensure they come in through the right entry point, which is not always the easiest thing to do.
- 5. Build relationships in the right way. Efficient partners are ready and able to manage their customer relationships in a way that reassures customers of their reliability and builds a strong network of key stakeholders within the organization.
- 6. Build good relationships with intermediaries for establishing collaboration. Great partners are aware that building trust, direct linking, and specialized advice from intermediaries in the ecosystem contribute to faster and simpler communication with corporations. They understand the importance of working with external sales partners in this process.



References and useful resources

How does the Development Bank help startups?

The story about the European Bank for Reconstruction and Development (EBRD) and its startup support programs at the Start Me Up event was shared with us by Dejan Tonić, Associate at EBRD, Star Venture WB Regional Coordinator, and Mihajlo Nikodijević, Co-Founder & General Manager, Tapni.

You may see the discussion here:



Mihajlo Nikodijević

Moderator: Kosta Andri

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Corporate Collaboration Programs in Serbia



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page

2. OTP Connect - OTP Bank Serbia's platform for connecting with startups. All information is available at the official program page

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3. Tech Engine – NIS's platform for collaboration and innovation. All information is available at the official program page

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4. Univerzum - Mozzart's program for startups. All information is available at the official program page

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5. D Incubator - Delta Holding's startup support program. All information is available at the official program page

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Blog:

1. Successful corporate-startup collaboration: Transforming business through innovation. (2023). ICT Hub.

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2. Innovative partnerships: How to grow through collaboration with corporations. (2023). Marina Ugrinić.

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3. Corporate-Startup Collaboration: Tips that bring success. (2023). Marina Ugrinić.

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5. Glad we met! Now, What should we talk about? (2023). Nadica Milanović.

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6. Serbian startup ecosystem: Support programs for startups. (2023). Filip Ilić.

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7. Ecosystems as the future of doing business. (2023). Kosta Andrić.

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8. 10 ways corporations find external sources of innovation. (2023). Kosta Andrić.

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9. Ecosystems as the future of doing business. (2022). Kosta Andrić.

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10. Building corporate startups – A smart way to initiate innovation processes. (2021). Marina Ugrinić.

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Panel discussions from Start Me Up events:

1. ICT Hub. (2023). "What happened after the first rendezvous between OTP Bank and Protokol.io?" YouTube.

Click to watch

ICT Hub. (2023). "Al Partnership: Co-creation with the startup Abstract" You Tube.

Click to watch

3. ICT Hub. (2023). "How Development Bank helps startups"
You Tube

Click to watch

4. ICT Hub. (2023). "About the corporate-startup collaboration through the startup program" You Tube.

Click to watch

5. ICT Hub. (2022). "How to connect corporations and startups – Panel story TS Ventures Fund and Bite Bell" You Tube.

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6. ICT Hub. (2022). "How to connect corporations and startups – Panel story Mercator-S, Nelt, and Igigi Shopper's Assistant?" You Tube.

Click to watch

 ICT Hub. (2022). "How to connect corporations and startups – Panel stories: OTP Bank and Agremo; Delta Holding and Smart Watering" You Tube.

Click to watch

Interviews with the representatives of startups and corporates, who have taken part in the Start Me Up events:

1. Start Me Up 2023 – Interview with Ana Ninković, Al Serbia

Click to watch

2. Start Me Up 2023 - Interview with Dejan Tonić, EBRD

Click to watch

3. Start Me Up 2023 – Interview with Nikola Milojević, NeuralFactory

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4. Start Me Up 2023 - Interview with Mihajlo Nikodijević, Tapni

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5. Start Me Up 2023 – Interview with Kosta Andrić, ICT Hub

Click to watch

6. Start Me Up 2023 – We asked startups and corporations about their expectations from the event

Click to watch

7. Start Me Up 2023 – We asked startups and corporations about their main impression of the event

Click to watch

References:

Mocker, V., Bielli, S., & Haley, C. (2015). Winning Together:
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2. Budden, P., & Murray, F. (2022). Strategically engaging with innovation ecosystems. MIT Sloan Management Review, 63(4), 1-7.

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 Match-Maker Ventures. (2023). Innovative corporates' guide to mastering startup collaborations to stay agile and relevant.

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 The Age of Collaboration III / Corp-Up: It's bigger than you think!

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About the handbook











This handbook is the result of open and useful discussions between representatives of corporations and startups who gathered at the Start Me Up events held during 2022 and 2023. The content has been expanded with experiences and recommendations from the ICT Hub team, supported by the European Bank for Reconstruction and Development (EBRD) and donors – Luxembourg through the EBRD Small Business Impact Fund and the EU – Western Balkans Enterprise Development and Innovation Facility (WB EDIF).

ICT Hub has been supporting innovation and technological entrepreneurship since 2014. Today, it is a knowledge centre and a meeting place for individuals, startups, companies, and organizations that need assistance in implementing changes. ICT Hub offers consulting and educational services, support for unlocking potential, and connections with the local and regional ecosystem, of which it is a proud member. www.icthub.rs

EBRD Star Venture Programme is designed to help high-potential companies that are at the early stages of their lifecycles, when business know-how and mentorship are greatly needed, with the involvement of regional accelerators and local advisory. In the region of the Western Balkans, the program was started in 2019, it is run by EBRD and is jointly funded by Luxembourg through the EBRD Small Business Impact Fund and EU – Western Balkans Enterprise Development & Innovation Facility (EDIF). www.ebrd.org

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