Recommendations for startups (and scale-ups!)

TIP FOR STARTUPS

1. **Improve your salesmanship**: focus on what you can do for the corporate, not what they can do for you. Understand their pain-points and motivations. Don't emphasise only ideas, but present your business case, customer acquisition, growth model etc.

2. **Listen and learn**: too many corporates report startups 'hearing what they want to hear', ignoring hurdles and interpreting polite interest as meaningful engagement. If a company says it is not interested, try to understand why (e.g. timing? need? price?). For corporate accelerators, research the people involved (give priority to programmes run by entrepreneurs). For procurement, ask about their buying cycle, qualifying criteria and process (it is a 'red flag' if they won't share this). For other collaborations, understand likely stage-gates, and ensure you're talking to the right person/department who is empowered to make decisions. The route to a 'yes' may be different from the route to 'no'.

3. **Network, network, network**: find champions within the firm – but be careful about opening multiple conversations which confuse their processes. Remember a large firm can offer much more than money-market knowledge and introductions may be even more valuable. Don't be afraid to ask.

4. **Build trust**: expect to develop rapport for several months pre-deal, and anticipate that the relationship may be 'reset' when people change roles! Don't abuse the trust placed in you by over-using the corporate's name or leaking privileged information. Don't over-promise: be honest about your stage of development, and realistic about what you can't do. You will get to a deal faster.

5. **Take a balanced approach to IP**: be clear about who will own IP coming from collaborative work, and take steps to protect your IP if this is core to your business (e.g. co-develop Apps but hold on to the API/algorithm). But avoid becoming paranoid: most firms don't want to steal your idea and, more often than not, the idea itself is a very small part of the finished product.

6. **Consider your language and look**: VC's may welcome 'disruptive innovation' but corporates usually don't. Incremental innovation (which preserves processes) is an easier sell than radical innovation. Consider that informal dress and over-familiarity may be interpreted as a lack of professionalism. Professional attitudes instill confidence that you can deliver.

7. **Be realistic about timing**: startups massively underestimate timescales until deals are finalised, and are often surprised by how slow corporates move. Get on their radar early.

8. **Don't put all your eggs in one basket**: nurture other options till the deal is actually done, and beware of offering exclusivity too early. Avoid becoming a bespoke consultancy for one firm, as this creates dependency. Be especially cautious of being sucked into free or discounted work.

9. **But don't 'chase the ball' either**: pursuing every opportunity dilutes effort and weakens your strategy; sometimes it is better to decline to partner.

10. **Know when to quit**: many startups are accidentally killed by corporates – judging when to cut your losses, and how far from your path to deviate, is crucial.