



Faster Innovation with a Buy v. Build Strategy

Innovator Centers can increase the velocity of developing and launching new products and services by looking outside their company using a “buy” instead of “build” strategy that targets startups. While company acquisitions draw headlines, a customer or co-development relationship with a startup is a viable low cost and highly profitable option for innovating.

For example, Kroger grocery stores recently [announced](#) they were testing with [Caper](#), a startup that makes smart shopping carts. The Caper Cart uses AI, machine learning and a host of other leading-edge technologies. Imagine how long it would take and how much Kroger would invest trying to build a smart cart themselves. Kroger realized it was better to buy the new technology and a complete solution from a startup.

Here are the four main benefits of sourcing innovation from a startup:

1. Rapidly Test New Ideas

In the last 10 years, the world has seen a rapid increase in the number of new startups. They all need paying customers. With a small budget, you can rapidly test new innovation concepts in trials with real-world results.

2. Reduce R&D Spend

The cost of hardware technology is dropping, and capabilities are increasing, enabling new applications for Internet of Things (IoT), 5G, drones, robotics and more. You can work with startup technical teams that are inventing products and services that would traditionally require an expensive, time-consuming, R&D investment





3. Solve Complex Problems

Startups can apply artificial intelligence, machine learning, data analytics, and digital automation faster than you can hire. These startups give you access to untapped market insights for new services, faster decisions and more effective actions.

4. Prepare for the Future

Companies that aren't engaged with the startup ecosystem usually don't fully realize how far behind they have fallen. Successful innovation centers are active in the startup ecosystem giving them a longer horizon to adopt and adapt external innovation to create an advantage.

Summary:

Most likely, the innovation your company requires is available right now in the global startup ecosystem. Step away from the whiteboard and “buy” innovation by engaging startups to accelerate value creation for your company.

About N³ Innovation

N³ Innovation's mission is to help corporate clients create measurable enterprise value by inventing the future. Clients have generated millions of dollars of revenue in new markets, with new products and new technologies.

Schedule a 15-minute call for an assessment of your External Innovation Program and to learn more about how to effectively engage with the startup community.

Contact us today info@n3innovation.com

