

# Today's Webinar Will Begin Shortly:

## Transforming Open Innovation: Opportunities from Innovation Clusters

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### QUESTIONS?

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### AUDIO ISSUES?

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# Transforming Open Innovation: Opportunities from Innovation Clusters



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# Agenda

1 | Introduction

2 | Case studies

3 | Outlook

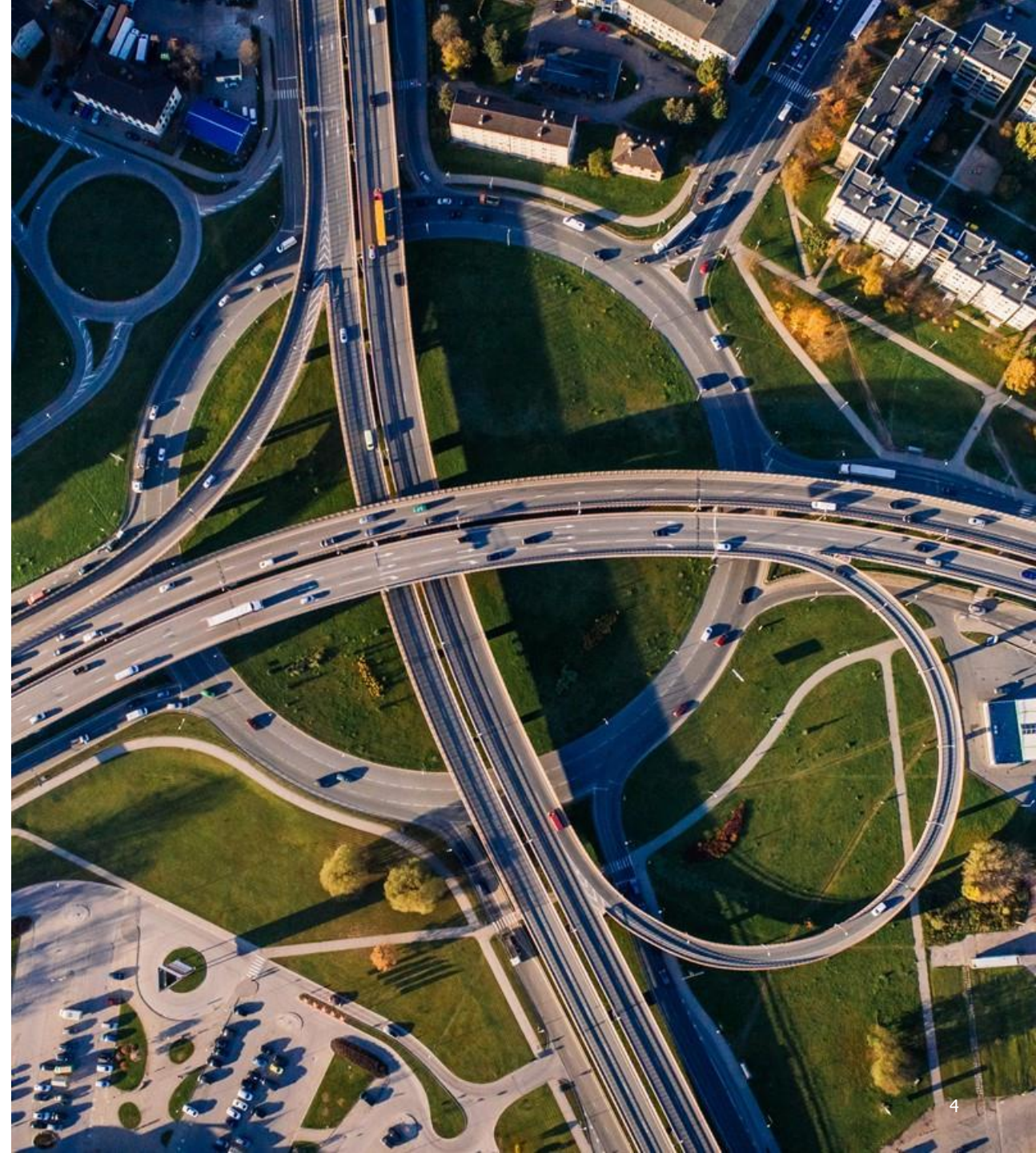


# Traditional open innovation expands your options

Greater visibility into developments beyond your own core competencies

Ability to test and integrate novel ideas and technologies at reduced risk and cost

Create ecosystems for more rapid formation and vetting of early stage technologies





An aerial photograph of a city, likely Stockholm, showing a complex highway interchange with multiple lanes and overpasses. Residential buildings, some with red roofs, are interspersed among green trees with yellow autumn foliage. A large white circle is superimposed over the center of the image, containing the text 'Today's open innovation solves yesterday's problems' in a bold, black, sans-serif font.

**Today's open  
innovation  
solves  
yesterday's  
problems**

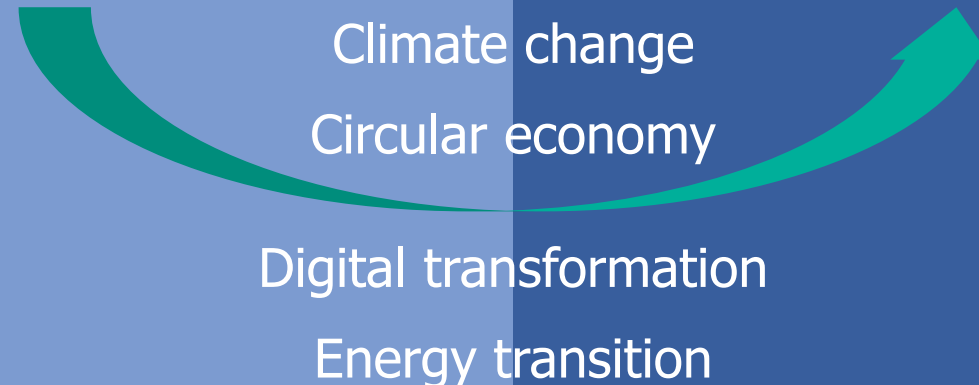


# Open innovation 1.0

- Designed to create an abundance of ideas drawn from external efforts
- One-to-one external partnerships, investments, and acquisitions
- Incubators and accelerators focus on getting startups to the next phase of their own development, but provide limited, short-term support

# Open innovation 2.0

- Complex, multidimensional product requirements
- Rapidly changing regulatory requirements and consumer demands
- Need to turn abundant ideas into systematic transformation
- Innovation needs for each of these trends span multiple value chain stages, business units, and industries



# Open innovation is evolving

Need to innovate faster on more fronts

Need to solve more complex, systemic challenges

**Need to form deeper and broader partner networks**



# What is an innovation cluster?

Communities of innovators and stakeholders

Provide access to funding, mentorship, facilities, and resources

Sharing insights and learning

Make efficient connections and partnerships





## LUX INNOVATION CLUSTER MAP

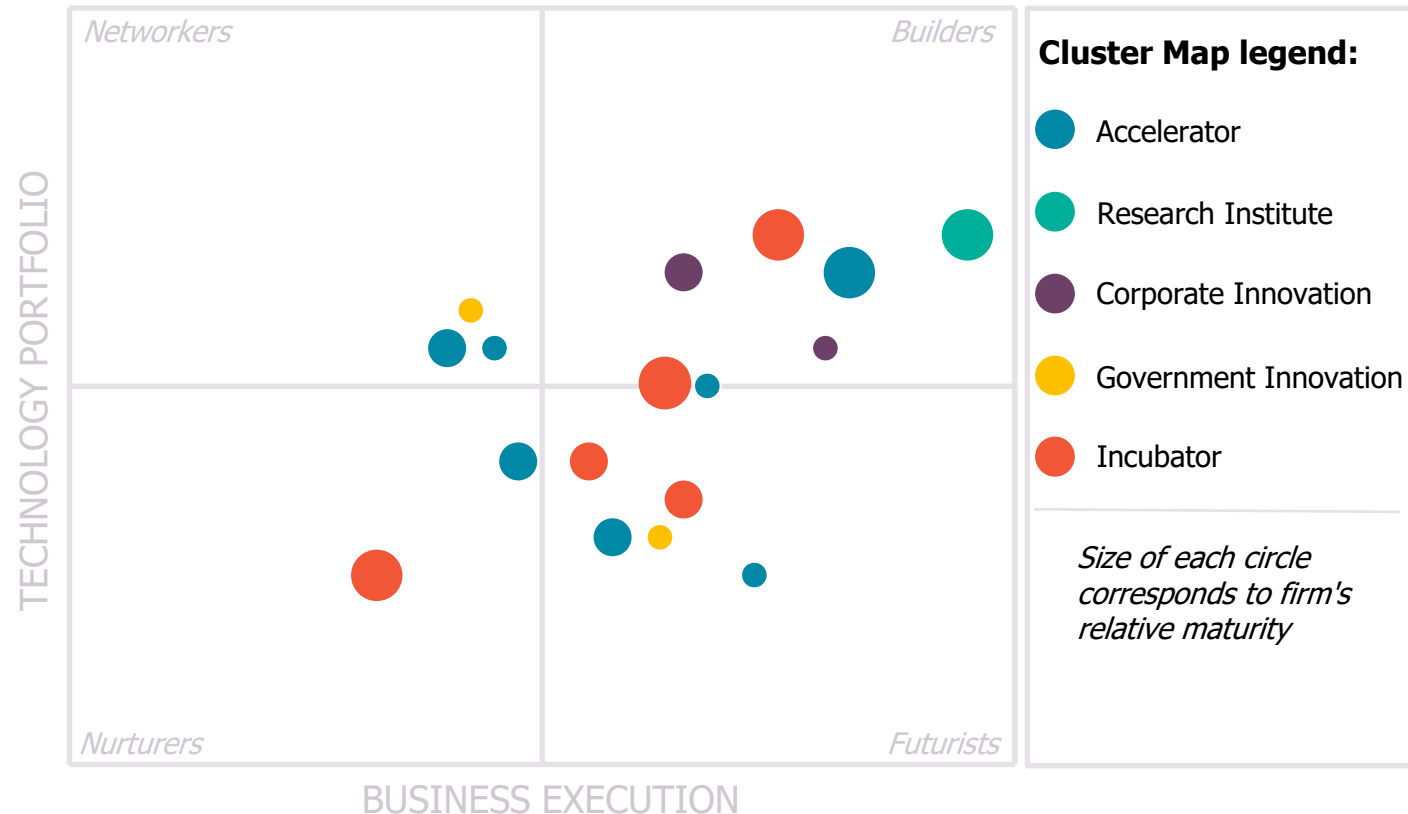
# Assessing innovation clusters on the strength of their technology portfolio and business execution

Drawing from the fingerprint derived from primary research, innovation clusters are plotted on the Innovation Cluster Map:

- A cluster is classified by its primary innovation cluster activities, indicated by dot color.
- The value and maturity levels of a cluster's supported technologies determine its **Technology Portfolio** position. Clusters supporting useful products that lower cost, boost performance, or increase revenue are valuable to customers, partners, and investors.
- A cluster's ability to perform and achieve success determines its **Business Execution** position. Business execution is a measure of the cluster's ability to run a viable organization, form partnerships, and support member companies.
- The completeness of a cluster's development reflects its **Maturity**. Mature clusters have secured a place and built a presence in the market; this is represented with relatively larger circle diameters.



## LUX INNOVATION CLUSTER MAP





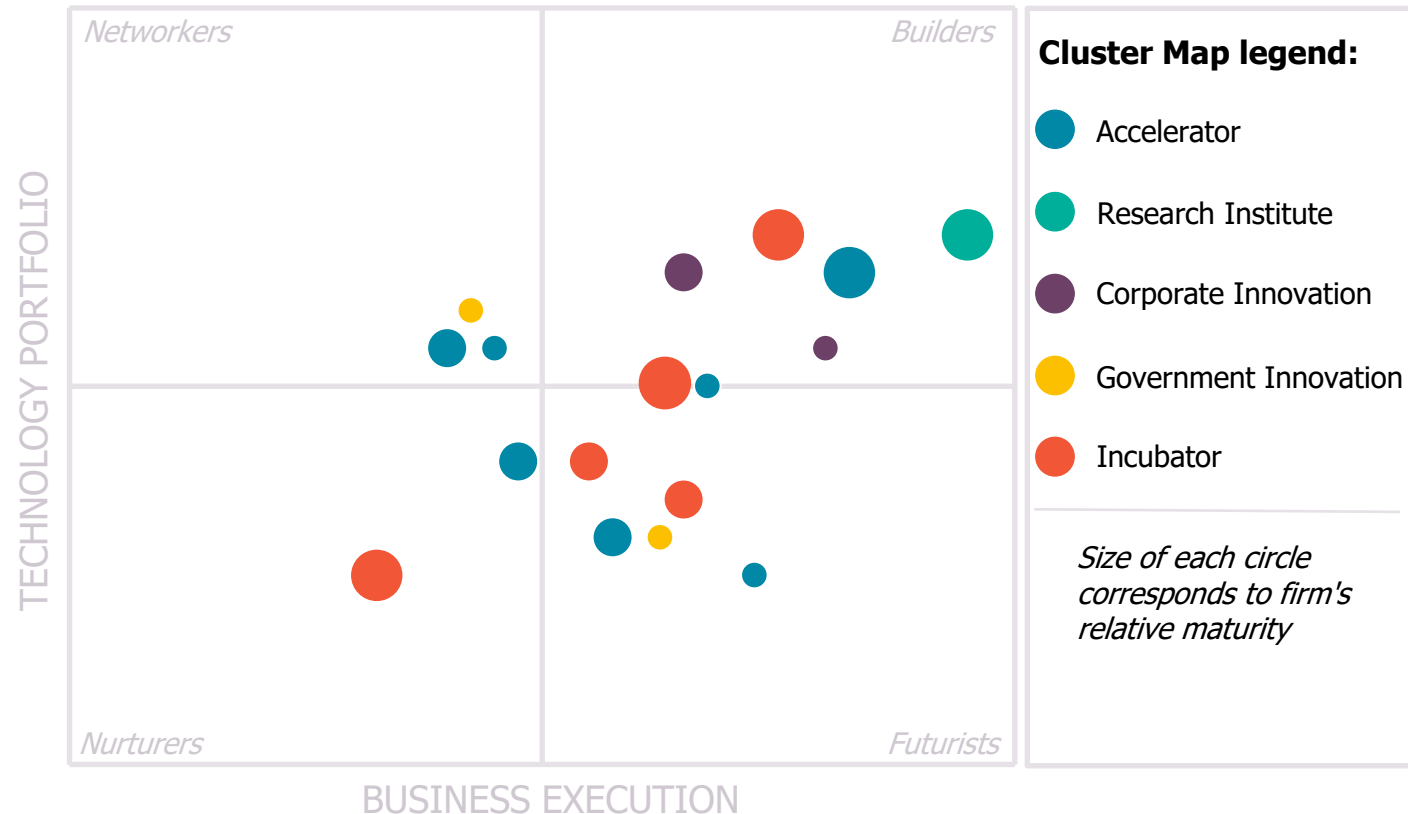
## LUX INNOVATION CLUSTER MAP

# Innovation clusters sharing similar qualities fall within one of the four key quadrants

Segmenting the cluster map into four quadrants groups innovation clusters together by their shared characteristics:

- **Nurturers** focus on technologies that are in their early development, including discovery and initial assessment. These clusters provide light guidance and are not strongly committed to any single technology.
- **Futurists** invest significant time and resources to develop early stage technologies, and they are thus more committed to the success of any given technology in their portfolios.
- **Networkers** work with more mature technologies. These clusters have lean business models and provide minimal support to their technology portfolios.
- **Builders** are actively engaged in supporting more mature technologies as they move toward commercialization. These clusters support prototyping activities and product deployments by providing a variety of services.

## LUX INNOVATION CLUSTER MAP

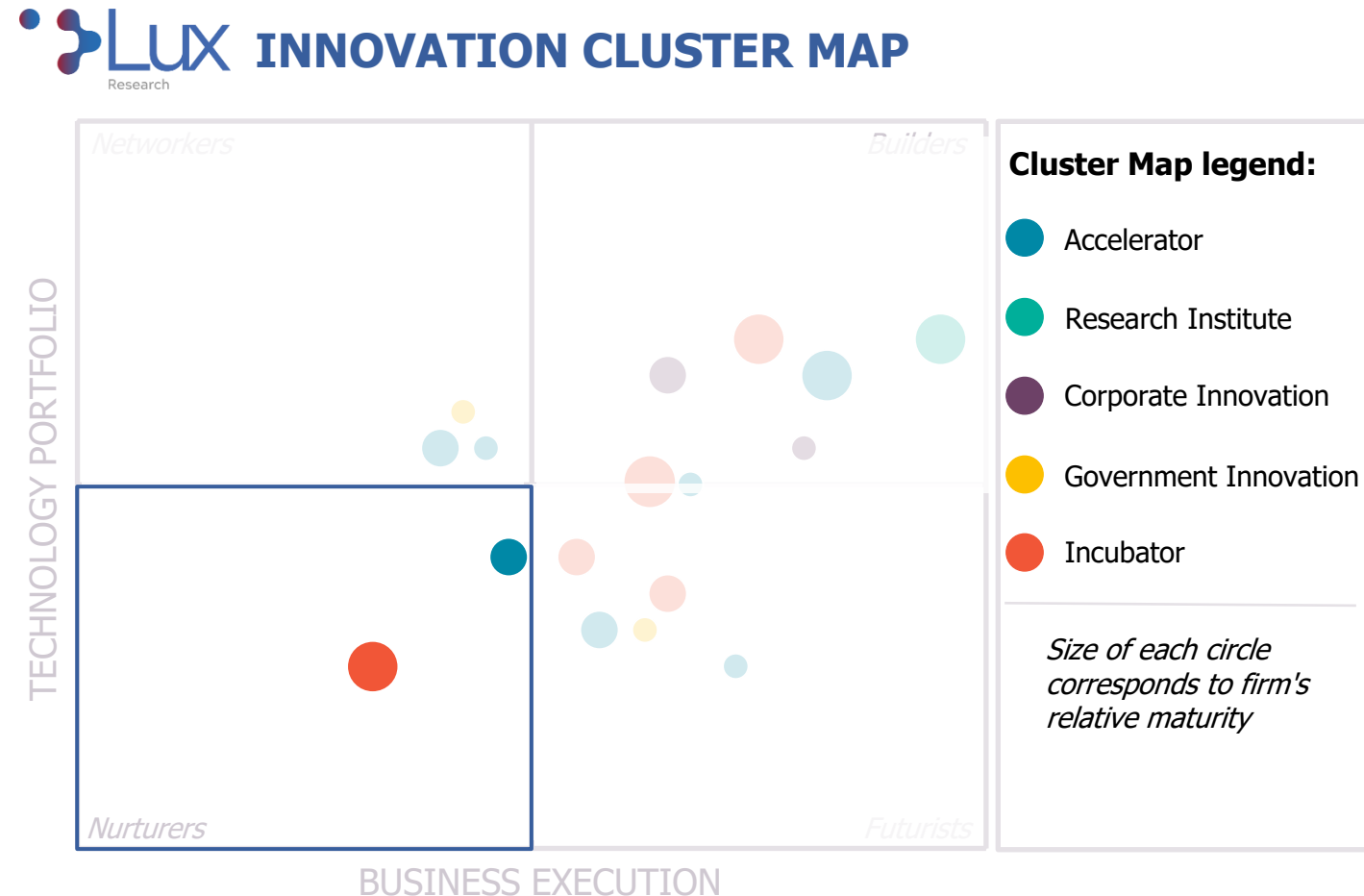




## NURTURERS

# Traditional incubators and accelerators are mostly nurturers

- **Nurturers** include most of the older and more traditional incubators and accelerators, focused on providing early stage start-ups with funding, resources, and mentorship to get started.
- These clusters are valuable for traditional open innovation.
- However, **newer innovation clusters are evolving** towards the remaining three quadrants to meet today's increasingly complex challenges.





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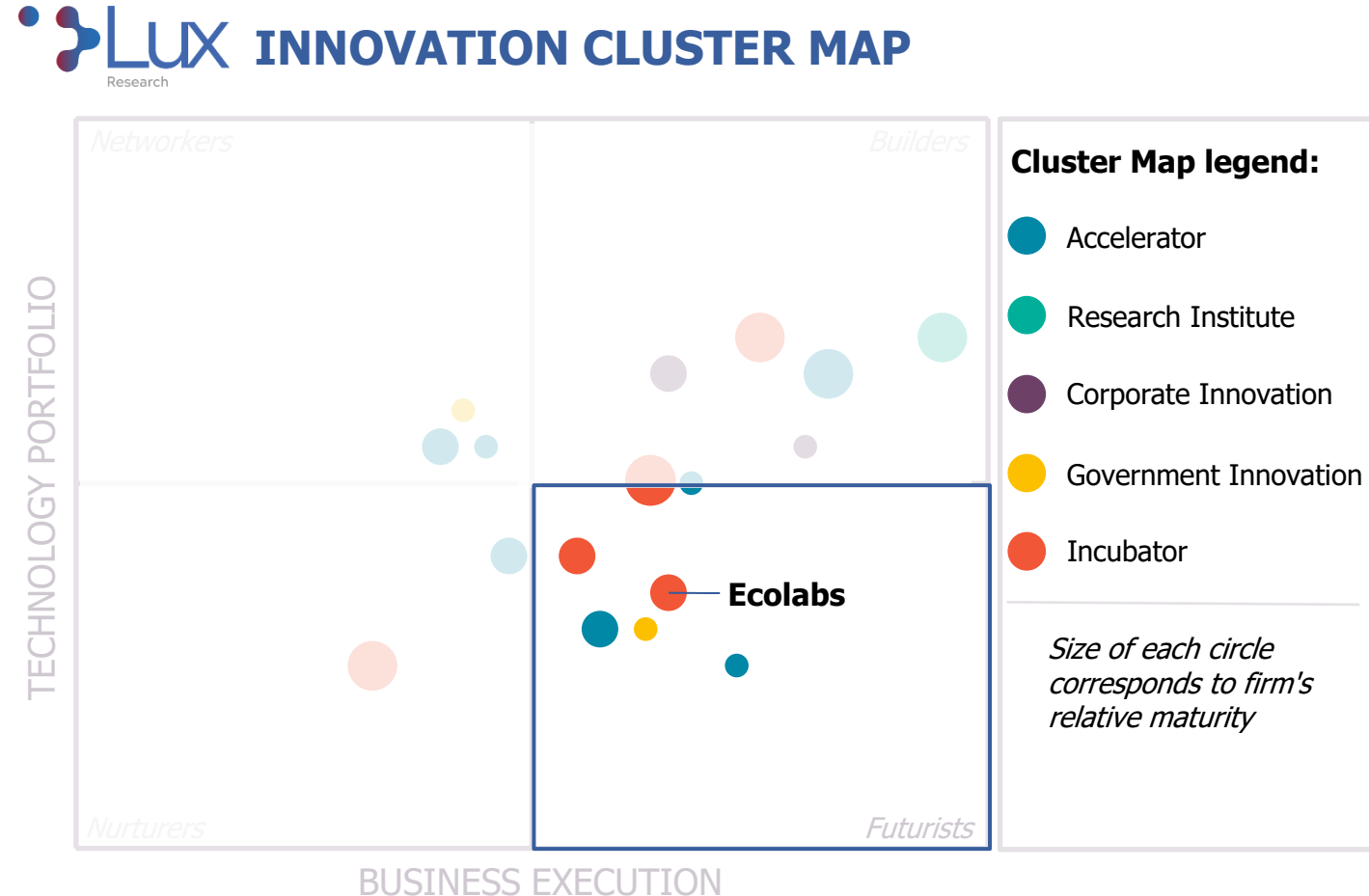
**Futurists  
provide  
platform for  
deeper  
technology  
engagement**



## FUTURISTS

# Futurists target very early stage technologies

- **Futurists** are specifically focused on assisting in start-ups' early stage technological development, and tend to have longer programs for member start-ups.
- **Government** groups are among the main investors and sources of these clusters.
- As a result, many futurist clusters have specific regional development goals as well as technological and economic goals.





**FUTURISTS**

# Ecolabs' initiative drives regional development goals



**NANYANG  
TECHNOLOGICAL  
UNIVERSITY**  
SINGAPORE

**ECOLABS**  
CENTRE OF INNOVATION FOR ENERGY



**M P A**  
SINGAPORE





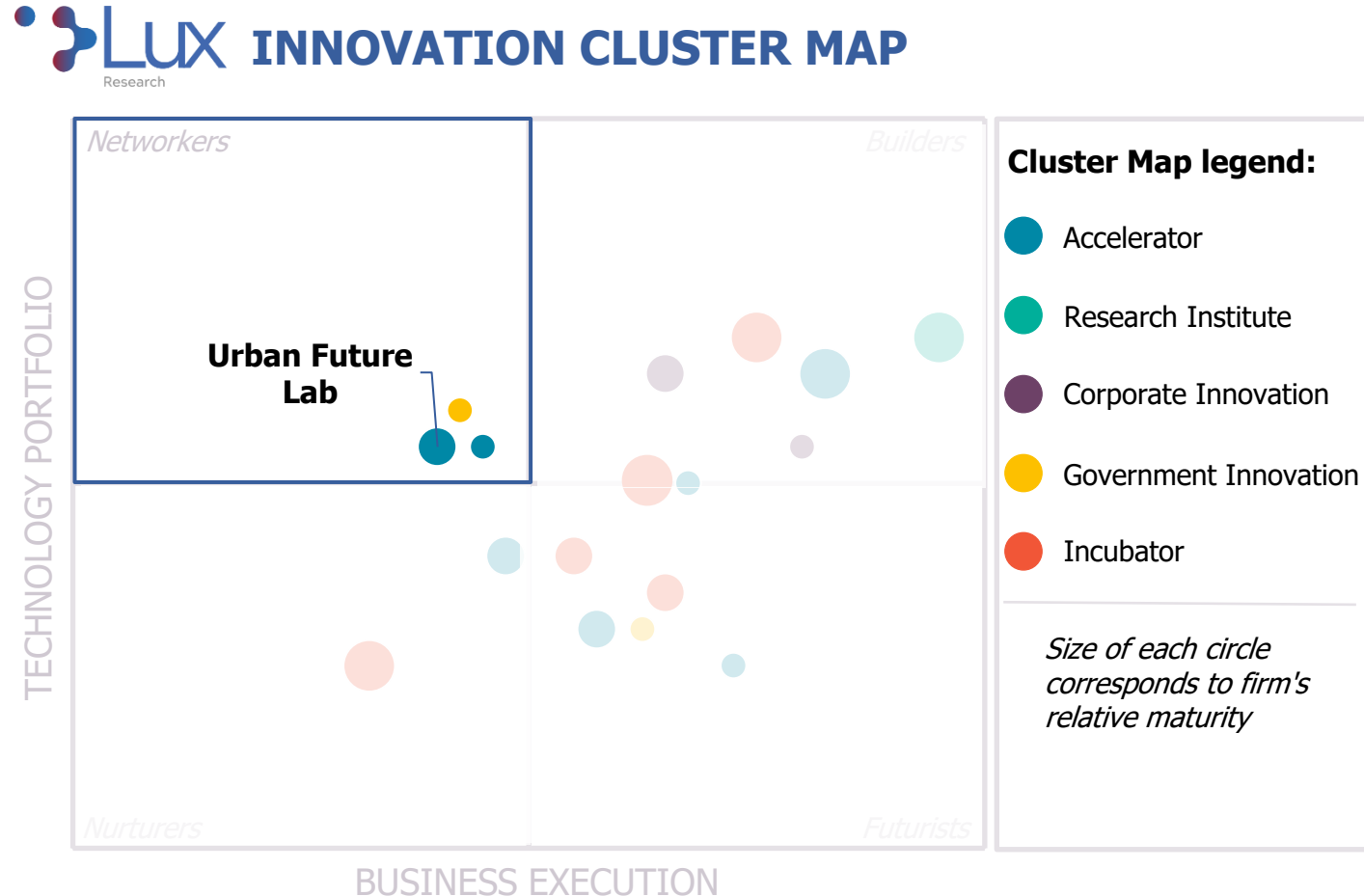
**Networkers  
build markets  
and connect  
you to novel  
opportunities**



## NETWORKERS

# Networkers prepare the groundwork for new market spaces and business models

- **Networkers** do not directly provide extensive support or resources, but rather use their broad networks of contacts and partners to help member start-ups obtain the resources they need.
- **Academics, governments, NGOs, and industry consortia** are the main contributors to these clusters.
- Many networkers work to build coalitions to tackle complex problems beyond the scope of individual stakeholders.



**NETWORKERS**

# Networkers influence new innovation paradigms

**URBAN** FUTURE LAB

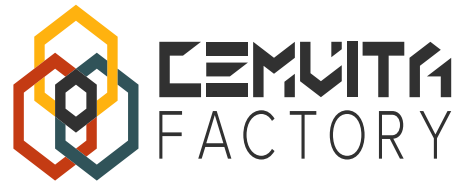




## NETWORKERS

# Networkers influence new innovation paradigms

**URBAN** FUTURE LAB



**Patch**



**CARBONFREE**





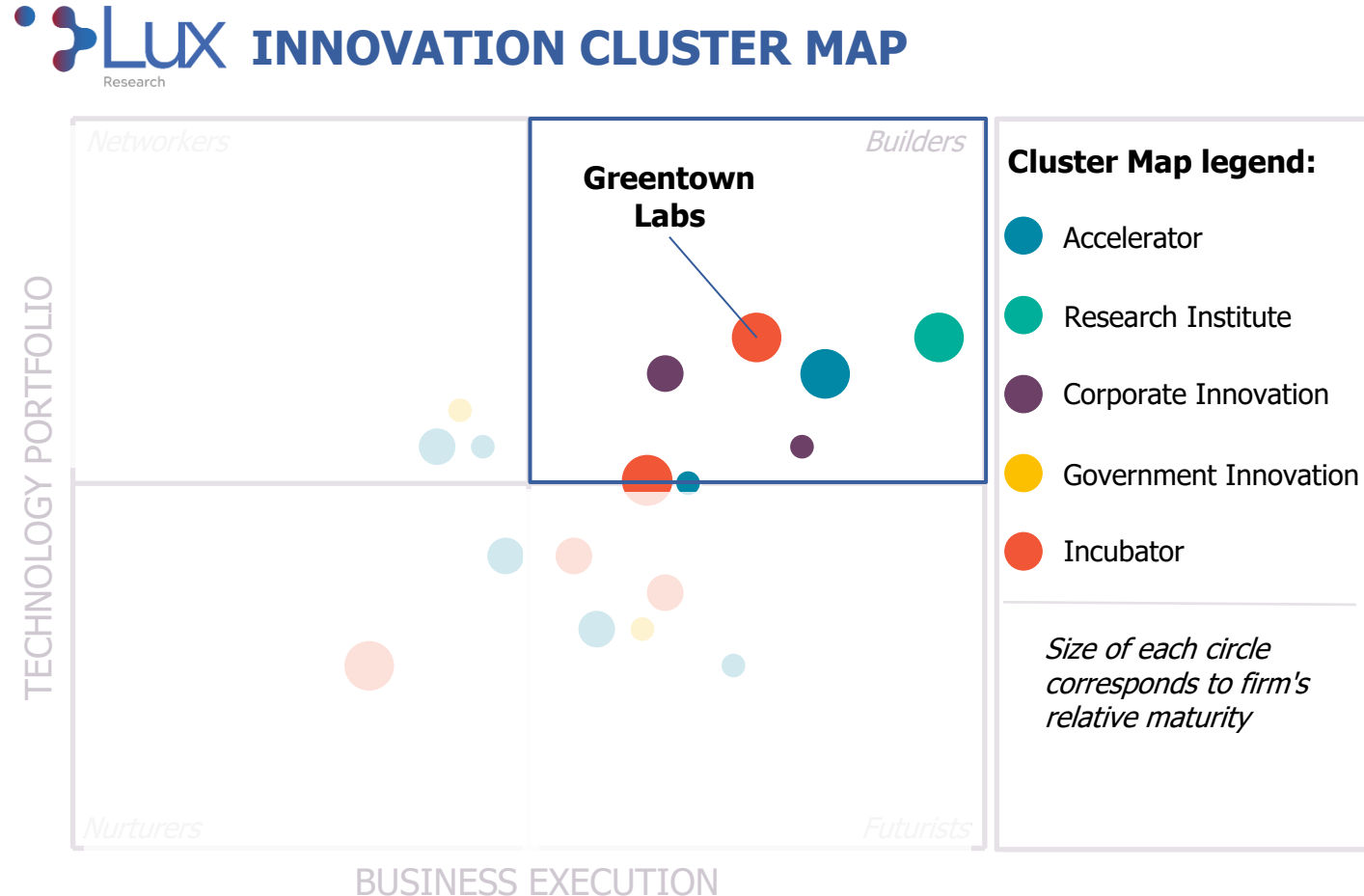
**Builders can  
efficiently  
match  
startups to  
business  
needs**



## BUILDERS

# Builders work to get technologies ready for deployment

- **Builders** include both industry-focused and technology-focused clusters optimized to bring start-ups to higher TRL levels quickly.
- Compared to Nurturers, Builders tend to have longer programs, a greater level of support, and a greater focus on getting technologies ready for deployment.
- Builders like **Greentown Labs** work to accelerate relatively early stage technologies and connect them to partners and investors in compatible industries and applications.



## BUILDERS

# Greentown Labs builds custom accelerators





## BUILDERS

# Greentown Labs builds custom accelerators



# Develop a strategy to make use of growing innovation clusters

## **Know your goals.**

Innovation clusters vary widely in structure, goals, and capabilities. Selecting the right type of cluster to achieve your organizations' goals is a critical step to leveraging their unique capabilities.

## **Choose your metrics.**

While true for any project, having the right metrics is critical for aligning your project with an innovation cluster, as these clusters typically use very different metrics internally than you and your organization likely cares about.

## **Use clusters to change the limits of what is achievable.**

By leveraging these independent networks of many and varied stakeholders, outcomes that are unachievable with one-to-one partnership formation become possible to efficiently realize.





# Thank you

A link to the webinar recording will be emailed within 24–48 hours

## UPCOMING WEBINARS

- **March 22nd**  
How to Create Value from Regenerative  
Agriculture in Your Business

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