Designing Corporate Incubators for Strategic Value Creation

Master's thesis in Management and Economics of Innovation

IDA SWEGMARK
MAJ ÅKEFELDT

DEPARTMENT OF TECHNOLOGY MANAGEMENT AND ECONOMICS
DIVISION OF ENTREPRENEURSHIP AND STRATEGY

CHALMERS UNIVERSITY OF TECHNOLOGY
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www.chalmers.se

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MAJ ÅKEFELDT

Department of Technology Management and Economics
Chalmers University of Technology
SE-412 96 Gothenburg
Sweden
Telephone + 46 (0)31-772 1000

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MAJ ÅKEFELDT

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Chalmers University of Technology

SUMMARY
As market dynamics accelerate, companies are increasingly using open innovation to complement internal R&D. Corporate incubators have become a popular way to access new technologies and foster entrepreneurship, though there is still limited insight into how they should be designed to create value for the company. This master's thesis explores how corporate incubators can be designed to create value for the parent company. The study focuses on the strategic, structural, and operational design choices involved in establishing and running a corporate incubator.

This study is based on 23 semi-structured interviews with people working in Swedish corporate incubators, startups, venture capital firms, and public organizations. Even though the incubators are set up and run in different ways, several common patterns and challenges were found. By combining insights from the interviews with earlier research, the study presents eight key components that companies should think about when designing a corporate incubator: strategic focus, source of ideas, governance, location, equipment, access to firm's resources, funding, and networks. These areas are important for building an effective incubator. The study also identifies four main types of values that incubators can bring to the parent company: helping with technology development, promoting an entrepreneurial culture, spotting new trends, and improving the company's brand. The discussion explains which components are especially important for creating each type of value.

The findings underline the importance of tailoring the incubator's design to the parent company's strategic goals while remaining open to external influences. Different startups, objectives of the incubators and cultural challenges affect how the incubator should be designed. The study provides insights for firms aiming to launch or refine a corporate incubator and guidance on how design choices influence the type and extent of value generated.

Keywords: Innovation strategy, corporate incubator, incubator design, startup collaboration, corporate entrepreneurship, intrapreneurship

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Abbreviations

CVC - Corporate venture capital
VC - Venture capital

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1. Introduction

The rapid technological development and increasingly dynamic business environment have intensified the pressure on corporates to stay competitive (Wikhamn, 2021). Corporates that are able to innovate by learning and adapting to changing conditions are better positioned to survive over time (O'Reilly & Tushman, 2008). Companies must balance short-term gains with existing capabilities with long-term innovation to find new opportunities. Many large firms tend to prioritize short-term efficiency, but as March (1991) argues, this focus may make them dominant initially while ultimately rendering them obsolete over time.

Innovation efforts are often seen as uncertain, risky, and distant in terms of returns, which can make organizations reluctant to invest sufficiently in new innovation (Siggelkow, 2001). This makes them vulnerable to technological shifts and market disruptions. Hausberg and Korreck (2018) emphasize that organizational inertia and conflicting structures often hinder corporations from fostering breakthrough innovation internally (Hausberg & Korreck, 2018). The need for increased innovation is not only internally handled anymore, but also complemented with innovation collaborations with external actors. This has led to an ecosystem way of thinking. An ecosystem consists of complementary organizations that work together to produce a collective output, beyond what each participant could achieve individually (Aldiere, 2022). Moreover, innovation ecosystems are dynamic and self-organized, and actors generate value by sharing information, risks, knowledge, and tangible resources with their network (Problete et al., 2022; Aldiere, 2022).

There are many types of innovation approaches, and open innovation is one of them which has played a central role. Open innovation is closely related to the phenomenon of innovation ecosystems, as innovation has evolved outside of an organization's boundaries towards a network approach (Aldieri, 2022). Open innovation is based on the assumption that information is distributed among actors in the economy and that the most valuable knowledge might be held by another organization and vice versa (Herzog & Leker, 2010).

Many companies have lately increasingly turned to open innovation models as one way to increase the innovation level (Longo & Giaccone, 2017). One way to do this is through collaborations with startups which becomes a relevant way to access new ideas, capabilities, and accelerate internal innovation (Chesbrough & Bogers, 2014; da Silva Meireles et al., 2022). One way corporates have implemented innovation development is through setting up corporate incubators (Gonthier & Chirita, 2019). They allow internal employees or external entrepreneurs to develop high-risk, high-potential business opportunities. Corporate incubators are considered an effective way to foster new skills, create new business models, and generate strategic learnings for the parent company (Becker & Gassmann, 2006).

There is no wide accepted definition of what a corporate incubator should consist of, and many design choices need to be considered when starting one (Gassmann, 2006). Configuring a corporate incubator is challenging, mainly because there is limited knowledge of configuration options available and how they impact the incubator's outcome. In practice, many corporate incubators fail to deliver the intended level of innovation, often because their strategic direction is not fully aligned with that of the parent organization (Gutmann, 2023). These challenges open up a clear gap in the current literature and practice, which this master's thesis aims to address.

The objective of this thesis is to explore how corporate incubators can be designed in order to create value for the parent company. More specifically, the study investigates which components are central to consider when setting up a corporate incubator, and how these choices affect the kind of value the incubator is able to generate for the corporate.

The study builds on existing literature and theory on incubators to identify relevant design dimensions. Based on this foundation, it explores how a number of large Swedish companies have approached these design choices in practice when setting up their own corporate incubator. The aim is to better understand which factors corporate incubators take into account based on their strategic objectives, and to explore whether there are certain design choices that appear to be widely adopted across Swedish corporates.

This leads to the following formulation of the research question:

- What components are central when designing a corporate incubator with the purpose of creating value for the corporate?

The scope of the study is limited to corporate incubators, which are incubators owned or run by large firms and does not include other often mentioned incubators such as public business or university-driven incubators. The study is further limited geographically, to Swedish incubator actors, which allows for a more focused comparison of companies operating under similar market conditions. The analysis is based on 23 interviews with representatives from large corporate incubators, business incubators, venture capital firms, startups, and public authorities.

By comparing how different organizations have addressed similar design questions, the study aims to provide insights into how companies can structure their incubators to better support and align with their strategic goals to achieve desired values. The results can offer guidance for firms either planning to launch an incubator or looking to re-evaluate and improve an existing one.

2. Literature review

2.1 Incubators

There are many actors playing huge roles in innovation ecosystems, and incubators are one of them. Incubators are one of many forms to boost innovation, and their importance has increased during the last two decades (Barbero et al., 2013). There is no single definition of incubators, and different types of them are rather used pragmatically (Von Zedtwitz & Grimaldi, 2006). However, incubators can be seen as "an entity providing small new ventures with resources that improve their chances of foundation and survival" (Barbero et al., 2013, p. 153). Incubators can provide startups with different types of services and resources. In literature, financing, and structure, resources and support, and creating an entrepreneurial environment are commonly occurring (Löfsten & Lindelöf, 2002). Resources are often divided into physical such as office space and computers, and intangible such as management, access to networks, and knowledge within the field (Barbero et al., 2013).

Differences between incubators exist due to multiple reasons e.g. the purpose of the incubator as well as the owner and its goals (Barbero et al., 2013). Authors have defined different variables to classify incubators in the literature which is summarized in Table 1 by Barbero et al. (2012). The table provides an overview of studies by large authors in the field of incubators and how they have distinguished between different types and what variables they have been focusing on during the incubator classification. The most common distinguishing variables that occur are the objective of the incubator together with the type of resources and activities offered in the incubator.

Table 1. Description of incubator classification by author (Barbero, 2012).

Authors	Types of incubator in the classification	Variables used to generate classification
Allen and McCluskey [5]	Sources of value added	For-profit property development Not-for-profit development corporation Academic For-profit seed capital Hybrid Corporate
Aernoudt [4]	Main philosophy Objectives Sectors involved	Mixed Regional development Technology Social Basic research
Carayannis and Von Zedtwitz [8]	Competitive focus Strategic objectives	Regional Business University Independent commercial Company internal Virtual
Von Zedtwidtz and Grimaldi [15]	Competitive scope Strategic objectives	Regional business University Virtual Independent commercial Company internal
Grimaldi and Grandi [6]	Private/public nature Institutional mission Industrial sector Location Market Origin of ideas Phase of intervention Sources of revenue Services offered Management team	Business innovation centre University business Corporate business Independent business
Clarysse et al. [16]	Level and complexity of activities performed Heterogeneity of resources deployed	Low selective model Supportive model Incubator model
Becker and Gassman [7]	Source of technology Type of technology	Fast profit Leveraging In-sourcing Market

The table describe that the first classification was made by Allen and McCluskey in 1990 based on whether the incubator was adding value via real estate or an enterprise development program. Six types of incubators were developed, namely, for-profit property development, not-for-profit development corporation, academic, for-profit seed capital, hybrid, and corporate (Allen & McCluskey, 1990). Later, Aernoudt (2004) categorized incubators based on the objective of the incubator as he deems it to be close to the economic reality and believes each type of incubator aims to fill either a market failure or a gap. Aernoudt (2004) suggests the following categorization of incubators: mixed, economic development, technology, social, and basic research incubators. Cayennis and Zedtwitz's (2005) classification is similar to Aernoudt's (2004) as they suggest regional business incubators, university incubators, independent commercial incubators, company-internal incubators, and virtual incubators. Von Zedtwidtz and Grimaldi (2006) thereafter confirmed the classification by Cayennis and Zedtwitz based on Porter's competitive scope and strategic objective which resulted in the incubator types: regional business, university, virtual, independent commercial, and company internal incubators. Grimaldi and Grandi (2003) use the most variables when defining incubators resulting in four different types; Business Innovation Centres, University Business Incubators, Independent Private Incubators, and Corporate Private Incubators which are further categorized into two different models where the main difference is whether the incubator is public and non-profit oriented or private and profit oriented (Grimaldi & Grandi, 2003). Further research into types of incubators by Clarysse et al. (2004) separated incubators based on the level of complexity of activities and heterogeneity of resources deployed which resulted in the incubator types: low selective model, supportive model, and incubator model. Becker and Gassman (2006) on the other hand, separate corporate incubators based on the incubator's source of technology and type of technology. They distinguish the kinds of fast-profit, leveraging, in-sourcing, and market incubators.

The objectives and purpose of an incubator differ widely. The variety can often be derived from the owner. One distinction is between privately or publicly owned incubators which often have different perspectives on expected benefits from an incubator, where public incubators tend to be non-profit oriented and private incubators are profit-oriented even though exceptions occur on both sides (Grimaldi & Grandi, 2003).

94% of the incubators in the world are non-profit organizations focusing on regional development (Tavoletti, 2012). Public incubators have existed since the 1950s with the primary objective of stimulating economic and technological development in countries by governments and public institutions (Grimaldi & Grandi, 2003). They expect graduates of incubator programs to not only strengthen the regional economy in general but also to create jobs and diversify regional economies (Tavoletti, 2012). From the beginning, they aimed to support startups with the provision of resources to simplify the process and increase the chance of success and in that way drive economic and technological growth (Grimaldi & Grandi, 2003). Von Zedtwitz and Grimaldi (2006) later described the rationale of public incubators as a way to handle market failures. They mean that market failures lead to barriers for startups to access capital, knowledge, and resources which public incubators aim to lower. Regional business incubators as described by Carayannis and Zedtwitz (2003), are closely related to public incubators with the objective of serving a community rather than profitability objectives. As many governments were closely related to universities, they saw opportunities for science to improve economies which can explain the establishment of university incubators which usually have low financial pressure and profit incentives (Von Zedtwitz & Grimaldi, 2006; Carayannis & Zedtwitz, 2003).

Grimaldi and Grandi (2003) mean that the IT revolution in the late 1990s transformed the incubation industry, emphasizing the need for speed-to-market, access to capital, and networks. Moreover, entrepreneurs need to change from support with technical to management expertise. These changes lead to the growth of private incubators (Grimaldi & Grandi, 2003). Private or for-profit incubators can make money by charging fees for the service or taking stakes in the startups. Their goal is to speed up the process of maturing the startup and get paid for it by providing early-stage investments traditionally done by angel investors and venture capitalists and supporting the startup during these periods by providing business mentoring, access to their extensive contact network, and the capacity to manage office operations, recruitment, and payroll functions (Grimaldi & Grandi, 2003). They prepare and shorten the time needed for the startup to continue.

Grimaldi and Grandi (2003) divide private incubators into two types they call *Corporate business incubators* (CBI) and *Individual business incubators* (IPI). IPIs are founded by individuals or groups, including companies, aiming to support emerging entrepreneurs by investing personal funds and acquiring equity stakes. Often referred to as accelerators, IPIs typically engage with businesses after their launch, providing capital and expertise to foster growth. CPIs as defined by Grimaldi and Grandi (2003), are owned by large corporations and focus on nurturing corporate spin-offs that typically arise from internal research projects. These incubators often maintain control over new ventures by holding equity stakes. Corporate incubators will be the focus of this study and will be described in more depth in the following section.

2.1.1 Corporate incubator

Many organizations, such as Daimler, Coca-Cola, Disney, have in recent years set up corporate incubators (Roessler & Velamuri, 2015). Corporates often struggle with how to innovate and bring new ideas into their organizations to avoid being stuck in the inertia of the corporates (Roessler & Velamuri, 2015). A corporate incubator is a way for organizations to counteract their struggles and enhance innovation. Corporate incubators can have different setups and supporting methods, providing everything from expertise, networks, and funding to administrative support to help the development of early-stage startups within a shorter period (Roessler & Velamuri, 2015).

In a corporate incubator, there needs to be a valuable exchange between the incubator and the startups, as well as between the incubator and the parent company (Kruft, 2020). The startups gain from the provided resources, and the incubator needs to create value for the parent company. Parent companies gain various types of value from having a corporate incubator. As previously mentioned, incubators are often established as innovation initiatives, making one of their primary benefits the support they provide for technology development. In addition, the literature emphasizes the value of fostering an entrepreneurial mindset, monitoring the market for emerging trends, and branding. Corporate incubators are often set up as a goal for the parent company to find new technology development (Gonthier & Chirita, 2019). By working with startups, companies gain insight into new markets, technologies, and customer behaviors that help adapt technology to market changes (Dushnitsky & Lenox, 2005). Sometimes, it can be hard for organizations to know whether to focus on their existing business or venture into new areas. A corporate incubator can work as a good way to combine both by implementing a department that focuses on supporting startups with their resources and advice in an incubator setting (Gonthier & Chirita, 2019). By doing this, incubators provide “safe spaces” by experimenting with new ideas at lower cost and risk compared to internal ventures that may disrupt current business models (Kohler, 2016).

Gonthier and Chirita (2019) highlight that one of the most important values is the entrepreneurial influence. Corporate incubators are used as a way to spread an entrepreneurial mindset through the organization (Roessler & Velamuri, 2015). Kohler (2016) also supports this by stating that exposure to entrepreneurial teams inspires a more agile and innovative mindset among employees. An easy way to foster intrapreneurship is to include employees in the incubator programs, either as mentors or participants. Further, it will be easier for the parent company to recruit people with an entrepreneurial mindset, let the employees be inspired by entrepreneurs, and motivate them to always be creative and new-thinking. Being seen as a startup-friendly company enhances the corporate brand and helps attract talent and also keep internal entrepreneurial employees who might otherwise leave to build their own ventures (Kohler, 2016).

Incubators are often set up to screen external markets for promising ideas and expand the corporation’s core competencies (Roessler & Velamuri, 2015). Organizations, can also use the incubators for observing startups closely before deciding to invest, partner, or acquire, providing a portfolio of options for future growth and reducing decision-making risk (Kohler, 2016). Additionally, by collaborating with startups allow companies to explore new geographies or industries with fewer resources (Kohler, 2016). Startups may have deep knowledge of emerging markets or customer segments that corporations are unfamiliar with. Becker and Gassman (2006) also describe corporate incubators as having the objective to create complementary technologies to increase the demand for their current core technologies. Roessler and Velamuri (2015) also suggest how corporates establish incubators to build reputation and for investment purposes. A strong innovation brand attracts not only startups but also corporate clients, press, and future talent (Weiblen & Chesbrough, 2015).

Corporate incubators face challenges that can limit their effectiveness (Kruft, 2020). One of the most important is maintaining a strong connection with the strategic goals of the parent firm. Another is the careful selection and execution of activities that are truly aligned with the incubator’s purpose. Furthermore, a critical task is to enable knowledge and insights from the startups to flow back into the main organization. It is also essential to create the right conditions for employees to engage in and support innovative thinking. Lastly, the incubator needs to be able to recognize valuable ideas emerging from such behavior, so that these can be developed into innovations that strengthen the parent company’s ability to remain competitive over time (Kruft, 2020).

2.2 Design options in a corporate incubator

When designing a corporate incubator, there are many parameters and decisions that need to be considered. Examples include choices related to the incubator's physical location, the types of services provided, the incubator's strategic focus, how closely integrated it should be with the parent company, and decisions regarding a suitable governance model. Schuh et al. (2017) studied design parameters that are important to consider when setting up a corporate incubator. They present a comprehensive framework highlighting numerous strategic design options that can be considered when establishing corporate incubators, of which the previously mentioned parameters are just a few examples. This framework has served as inspiration for this study. Moreover, since networking has emerged as a particularly important factor for value creation within incubators, this element has been explicitly added to our framework. The strategic design parameters used in this study, including their implications and relevance are strategic focus, source of ideas, governance model, location, equipment, access to firm's resources, funding, and network. The components will be further explained in the following sections.

2.2.1 Strategic focus

This element describes whether the incubator focuses on innovation within its existing business or outside its core business. This aspect of whether a corporate incubator should pursue innovation within existing markets, enter entirely new markets, or focus on cross-sectoral developments is central to shaping its strategic focus (Schuh et al., 2017). Corporate incubators are designed to boost technological development within the organization and, at the same time, find new business opportunities. Due to today's rapid changes in market demands and shortened product life cycle, established firms have to always reconsider their innovation activities (Schuh et al., 2010). To maintain competitive advantage in rapidly changing markets, large corporations are increasingly looking beyond their core operations and investing in more radical forms of innovation (Chang et al., 2012). However, due to structural inertia and internal resistance to change, such radical innovations are often difficult to implement within traditional organizations.

Incremental innovations are low-risk enhancements of existing products and focus on sustaining or increasing current market share (Schuh et al., 2010). On the other hand, radical innovation is built on new technological findings and the possibility for organizations to enter new markets (Henderson & Clark, 1997). Radical innovations are increasing the risk but also an opportunity to gain new market shares (Henderson & Clark, 1990). Schuh et al., (2010) argues that both radical and incremental innovations are important for long-term market competitiveness.

A key aspect of managing innovation within corporate incubators is the degree to which new ideas can be aligned with the parent company's existing competencies (Schuh & Vogt, 2020). A greater distance between the startup and the core business results in a more challenging and resource-intensive transfer process (Schuh & Vogt, 2020). It is also easier to reap synergies if the incubator is choosing startups in the same sector (Schuh et al., 2017).

There are a lot of different strategies corporate incubators can apply; some focus on startups in the same market as the parent company, but using new methods, while others focus on completely different markets (Schuh et al., 2017). Focusing on new markets often includes redefining business models and adopting unfamiliar operational methods (Schuh et al., 2017). A commonly cited example is the carsharing industry, which has pushed traditional automakers to rethink their business architecture entirely (Schuh et al., 2017). Another option could be to target overarching trends, such as digitalization, which cut across industry boundaries and affect not only product features but also underlying business logic (Schuh et al., 2017).

Different researchers have varying views on how much attention should be given to core business compared to new areas. Drescher & Zeller (2017) have created a 70-20-10 innovation model, which recommends allocating approximately 70% of resources to core business innovations, 20% to related core areas, and 10% to completely new domains. On the other hand, Schuh et al. (2017) argues that a corporate incubator's strategic focus should be on innovations related to the core business and new markets rather than the existing business.

2.2.2 Source of ideas

This category relates to where the ideas to be developed in the incubator are coming from. The origin of ideas within a corporate incubator can generally be categorized as either internal, emerging from the parent organization itself, or external, originating from individuals or entities outside the incubator's parent organization (Schuh et al., 2017). In corporate incubators, the optimal mix between internal and external sources is not always clear. Some models focus exclusively on internal innovation projects generated by employees, while others search for external startups to find new ideas (Schuh et al., 2017). Increasingly, hybrid approaches that integrate both sources have become common (Grimaldi & Grandi, 2005). Chesbrough (2003) argues for this dual approach, that firms should combine internal capabilities with strategic use of external networks to access diverse knowledge and technologies that exist beyond organizational boundaries. The degree to which external startups are incorporated is closely related to the organization's stance on open innovation (Schuh et al., 2017).

Chesbrough (2003) argues that it can be beneficial for organizations to bring in external sources and that they need to accept that they don't know everything. Instead, they can use knowledge from other competent people outside the organization. Incorporating such external sources provides access to novel, diverse, and complementary innovations and allows firms to benefit from external R&D investments. External sources can also include users, who frequently generate insights critical for innovation (Von Hippel, 2005). These ideas, generated by people who use the product often, reflect unmet needs and can reduce trial-and-error phases in product development.

Finding external innovations can be approached in two ways, proactively and reactively. A proactive approach describes active scanning and engagement with their external environment, seeking out technologies and innovations through sustained interaction with external contributors (Burgelman, 1983). This requires the development of internal capabilities such as search routines, evaluation systems, and partner selection processes. In contrast, reactive strategies rely on the organization's attractiveness to draw in potential collaborators and innovations (Burgelman, 1983). Corporates need to signal openness and relevance to encourage others to bring forward ideas without the need for active outreach.

On the other hand, internal innovation still remains an important component of long-term strategic development (Laursen & Salter, 2005). Internally generated ideas tend to align more closely with the firm's existing strategy and culture, contributing to organizational learning and capability building. The challenge is that such ideas may be constrained by existing bureaucratic processes or organizational inertia. Burgelman (1983) emphasizes that the survival of internal innovation efforts often relies on corporate structures and leadership orientations. Ideas that conform to the existing strategic trajectory are more likely to be supported while ideas outside the core business often require internal champions with the power to gain traction. Furthermore, Chesbrough (2003) argues that internal ideas that are outside a firm's strategy play a key role in open innovation, and organizations can create value from these by monetizing through spin-offs or licensing out.

2.2.3 Governance model

The governance model refers to how organizationally integrated the corporate incubator is in the corporate, and how the reporting mechanism works (Schuh et al., 2017). Schuh et al. (2017) further describe that the suggested integration level depends on the intention of the incubator. Gutmann (2023) separates between more or less integrated incubators, where standalone incubators and integrated incubators are within a corporation. They further extend it and describe external ecosystem incubators, which are further separated than standalone incubators. Separated, integrated, and ecosystem incubators are described below.

Separated incubators are what Gutmann (2023) refers to as standalone corporate incubators. They are characterized by being operated with a high level of autonomy and are separated from the parent company. They are organizationally separated and report directly to top management rather than to specific business units (Gutmann, 2023). When a company seeks to balance short-term improvements of existing operations with longer-term innovation efforts, it is recommended to separate exploration from exploitation in separate business units that are only connected to the parent company by reporting to the executives (O'Reilly & Tushman, 2008). Hence, separated incubators are recommended when the objective is to focus on radical innovation without being constrained by the parent company's existing structures or processes (O'Reilly & Tushman, 2008). If organizing for a longer time perspective, more autonomy, risk taking, less formal systems, and control are needed (O'Reilly & Tushman, 2008). A separated governance model reduces bureaucratic barriers and hierarchies, which in turn facilitates risk-taking, long-term thinking, and experimentation. This is often necessary for the development of radical technologies (Schuh et al., 2017). Separated incubators have high strategic mandates, decision-making authority, and control over resource allocation (Gutmann, 2023). The independence allows them to act more like startups, being agile and responsive to emerging market opportunities as they see responsibility and ownership over their own result (Tushman & O'Reilly, 1996). One advantage of this setup is its flexibility. The incubator can work freely, form external partnerships, and explore markets beyond the parent company's current business focus. On the other hand, it also comes with the cost of often having limited access to the parent company's resources such as expertise, data, and infrastructure, if it's not explicitly arranged (Gutmann, 2023). There is also a potential risk for disagreement between the parent company and the incubator regarding strategy and resource allocation, which can also hinder buy-in from the parent company. According to Gutmann (2023) this option is anyhow, recommended for corporates aiming to explore high uncertainty areas or new domains.

Another type of corporate incubator described by Gutmann (2023) is integrated incubators, characterized by a high level of organizational integration with the parent company. Moreover, they are often closely connected to specific business units and report to their executives. An integrated incubator is often used when the goal is to fill specific gaps in the company's product portfolio and build upon existing knowledge and capabilities. Correspondingly, startups and innovations derived from here are often incremental in nature and are aligned with the business unit's existing product and technology roadmaps (Gutmann, 2023). For incremental innovation, O'Reilly and Tushman (2008) suggest that alignment of competencies, systems, structure, and culture is important, which is quite the opposite of the case of radical innovation. Due to strong integration, the incubator tends to have low decision-making authority and limited strategic freedom and autonomy, which reduces the incubator's ability to explore more radical and disruptive innovations (Tushman & O'Reilly, 1996). The close connection to the business unit, on the other hand, allows for short-term impact with low uncertainty as it operates within known markets and technologies (Gutmann, 2023). As the incubators are connected to specific business units, there is a risk of siloed incubations that are not aligned with the overall corporate strategy. The innovation process is typically partially formalized, with some overarching structures but without detailed or standardized procedures. One advantage of this design option is the high level of specialization coming from the strong involvement of business units. Because the incubator focuses on a specific domain, it can leverage its deep expertise and industry knowledge, which can support the development of new ideas (Becker & Gassmann, 2006). Although this setup is beneficial for incremental innovation, the incubator's strong internal focus may limit its ability to stay informed about emerging market trends and breakthrough technologies outside the corporation's current scope (Gutmann, 2023).

The standalone and integrated incubator models are described as opposites. However, there are possibilities in between. A company aiming to pursue radical innovation while still leveraging internal expertise can still design structures that enable knowledge and resource sharing (Becker & Gassmann, 2006). At the same time, it is important to be cautious since too much integration might reduce the incubator's independence, and hence, its ability to explore disruptive opportunities.

External ecosystem incubators represent another type of incubator model that differs from both integrated and standalone incubators (Gutmann, 2023). They are highly autonomous and typically only partially owned by the corporate parent, which often holds a minority stake. Instead, they are co-funded and co-developed with a network of external partners such as other corporations, investors, and institutions who bring different sets of expertise, resources, and networks to strengthen the incubator. The main goal is not only to build new ventures for the parent company but to act as a broader innovation facilitator, enabling open innovation and the co-creation of business models across organizational boundaries. A key advantage of this model is similar to strong innovation ecosystems, where organizations can access external expertise and resources (Poblete et al., 2022), which increases the incubator's ability to explore emerging technologies and new markets (Gutmann, 2023). It also allows for greater flexibility in both budget and resource allocation, since it is less tied to internal corporate processes. Therefore, external ecosystem incubators can be particularly effective in changing or new business domains. The model also has challenges

(Gutmann, 2023). Firstly, the incubator is dependent on external funding and support. Since the incubator is partially or fully dependent on external partners, there is also a risk of disconnection from the parent company, both in terms of access to internal expertise and resources, and difficulties in getting buy-in and adoption by the parent company. There may also be conflicts over resource allocation or difficulties in aligning incubation projects with the corporate's overall strategy. In other words, while this model opens up new innovation paths, it also requires careful coordination and trust-building between all involved actors to be successful (Gutmann, 2023).

2.2.4 Location

The category location refers to where the incubator is located in relation to the parent company. Placing entrepreneurial ventures in a shared physical environment facilitates interaction, knowledge exchange, and informal learning (Madaleno et al, 2018). These co-location spaces are described as miniature cities, where positive agglomeration effects occur. Furthermore, co-location also enables resource sharing, access to mentors, peer learning, and potential collaborators (Madaleno et al, 2018). It can also be used as a way to minimize risk of spending unnecessary time to find a market fit by always having easy access to a network to get fast feedback and advice through the process. For organizations, sitting together also creates a professional community which contributes to a shared identity and sense of belonging (Madaleno et al, 2018).

The physical location of an incubator reflects the goals, strategic orientation, and the kind of startups they want to attract (Grimaldi & Grandi, 2003). Incubators are often placed in dense, urban areas with strong infrastructure and human capital but a lack of existing business development (Pihlajamaa, 2021). Schuch et al. (2017) argues that a corporate incubator can be placed close to the parent company, in an area that attracts startups, a tech hub, or a research/university area. Different corporate incubator initiatives have managed different strategies. For example, Siemens Technology Accelerator allows ventures to remain in their original units, whereas Lucent New Ventures Group requires relocation to facilitate closer collaboration (Becker & Gassman, 2006).

Locating the incubator at the parent company's headquarters can offer strategic advantages. One key benefit is the easier transfer of tacit knowledge, which is especially important when collaborating with technology startups. Such knowledge is more effectively shared through face-to-face interactions (Becker & Gassman, 2006). It is also easier for the startups to create the right contacts and talk to customers and potential partners, which are crucial for early business development. For the incubator to be alive, it needs to be successful and have internal support (Becker & Gassman, 2006). Furthermore, one way to easily create management awareness is by locating the incubator at the parent company. Studies have also shown that being located close to each other motivates individuals to share and give more support (Becker & Gassman, 2006).

In some cases, locating a corporate incubator at the corporate headquarters may not be ideal. Corporate headquarters can be located outside the city, which might not be attractive for startups (Schuh et al., 2017). Therefore, it can be more beneficial to place it in an urban area that appeals to entrepreneurs. Furthermore, for sectors that tend to cluster geographically, for example, technology sectors, it may be beneficial to position the incubator near established innovation hubs, where talent, investors, and infrastructure are already concentrated. On the other hand, for highly technical sectors such as machine tools, it may be more appropriate to situate the incubator in a research-oriented environment, close to leading universities, to benefit from academic collaboration and access to specialized skills (Grimaldi & Grandi, 2003). With digitalization, virtual incubators have been created, where they can support startups worldwide through videoconferencing and email. This indicates that being physically close, which has been very important, might not matter as much anymore (Becker & Gassman, 2006).

2.2.5 Equipment

Depending on the objectives of the incubator, what types of projects or startups it incubates, what industry etc, it will provide different sets of equipment to support startups along the incubation path (Schuh et al., 2017). There are many articles covering fundamental incubation services needed for startups. Although different objectives and owners of incubators, many of them provide similar services. Carayannis and Zedtwitz (2003) and Hansen et al. (2000) studied this and found that most incubators offer physical resources, office support, financial resources, startup support, and access to networks.

Physical resources include office space and computers, which are one of the most commonly provided resources (Hansen et al., 2000). While these are essential, focusing too much on physical facilities alone can limit an incubator's effectiveness if other types of support are lacking (Carayannis & Zedtwitz, 2003). Many are also offering various forms of office support, such as IT support and book-keeping. These seemingly basic administrative tasks can save startups a lot of time and effort, enabling founders to focus more intensively on core business activities. Even though these services are not complex, they are often taken for granted, and their absence or poor execution can significantly disrupt a startup’s workflow and efficiency, especially during the critical early phases (Carayannis & Zedtwitz, 2003). Financial resources are of very high importance to startups, and access to it is commonly offered by incubators either from private funds or from external partners. Often, incubators focus on earlier steps of the startup phases, such as pre-seed, and aim to take the startups to the next step of financing rounds and thereby introduce them to other investors (Carayannis & Zedtwitz, 2003). Furthermore, incubators often provide startups with organizational, management, and legal skills, which are often lacking in these early stages. Often, founders have strong technology knowledge but lack organizational knowledge. The incubator then supports in formulating business plans, providing professional services as accounting, legal advice, and taxation knowledge. The last category often offered by incubators, according to Carayannis and Zedtwitz (2003), is access to networks. It takes years to build strong networks, and it can be critical for startups to get connected to the right people. The networking role of an incubator has gained increased attention in recent years and is deemed an important function (Shih & Aaboen, 2017). Due to the high importance of networks and funding, they are assigned additional components in our framework.

As introduced earlier, corporate incubators often have slightly different value propositions. Becker and Gassman (2006) highlight that corporate incubators usually emphasize proprietary knowledge, strong marketing expertise, and easier access to internal capital. Additionally, corporate incubators can leverage the parent company's underutilized resources. For instance, startups may benefit from established distribution channels, existing supplier relationships, and the parent company's established reputation and trademarks (Caves & Porter, 1977). Moreover, corporate incubators typically possess deep market insights and product knowledge compared to business incubators (Kötting, 2019). They also know their customers' needs through experience from their parent company (Becker & Gassman, 2006). Access to specialized knowledge in management and product development from the parent company's units has shown importance for startup performance, particularly when it includes targeted marketing expertise (Kötting, 2019). Corporate incubators are usually able to provide a combination of entrepreneurial and organizational knowledge, typically offered by incubator management, along with specific market and technological expertise from the parent company's business units (Kötting, 2019).

2.2.6 Access to firm's resources

The category refers to how accessible the parent company's resources are to the startups in the incubator. Access to the firm's resources should be decided based on how tightly the intended collaboration level between the startups and the parent company is, as well as what equipment and services are provided in the incubator (Schuh et al., 2017). Having a highly autonomous incubator separated from the parent company often indicates low access to the firm's resources, while a close collaboration typically indicates high access to the firm's resources.

High access to its resources can be created to actively involve employees from the parent company in the startup development. This is often simplified when the incubator is located close to the corporate. Schuh et al. (2017) mention that part-time roles or job rotation can be used to motivate employees to take part in the innovation process and take a break from their regular day-to-day work. High access to the firm's resources can be beneficial, but it can also sometimes come with costs (Miller et al.,1991). It is beneficial when startups utilize established brand names and experience from customers. However, sometimes the corporation may push the startups to align too closely with existing processes which can limit flexibility and innovation. Miller et al. (1991) describe that this can "hamstring by an effort to coordinate its development with the ongoing operations of the corporation's established businesses".

Low access to the parent company's resources is often preferred when the incubator is focusing on business sectors outside the parent company's core business (Schuh et al., 2017). This can give flexibility and reduce the risk of being locked into corporate structures. On the contrary, it can also enhance the risk of missing out on leveraging the parent company's knowledge, capabilities, and resources. Access to the firm's resources is also closely related to proximity between the corporate and the incubator, as a distance automatically can hinder the transfer of resources or knowledge (Gassman, 2006).

2.2.7 Funding

One of the major obstacles for startups is difficulties in getting funding, which is why many startups fail (Aaboen et al., 2011). Typically, the earliest phase, the pre-seed stage, requires smaller amounts of capital that are usually funded through personal savings, friends and family, or public sources. Later stages, such as the seed phase and early follow-up, involve higher risks and typically attract funding from private investors, including business angels and venture capitalists (Clarysse & Bruneel, 2007). Corporate incubators typically have superior access to venture capital, either through internal funding for strategically relevant startups or by connecting startups with external investors (Kötting, 2019). It is becoming more common to use corporate incubators to invest in relevant startups (Hausberg & Korreck, 2018). Previous research has emphasized that network-building is among the most value-creating activities incubators perform (Hackett & Dilts, 2004). This is because strong networks can enhance startups' ability to secure funding, expertise, and strategic relationships. Incubators can also serve as trusted intermediaries, and hence, reduce information asymmetry between investors and startups (Aaboen et al., 2011).

Incubators can support many activities to facilitate external funding by connections to both public and private capital (Aaboen et al., 2011). Aaboen et al. (2011) studied Swedish business incubators and divided the support into general financing activities and specific financing activities. General activities include continuously developing favorable conditions for external financing through information sharing, education, network building, and lobbying. Specific financing activities, on the contrary, are tailored to individual startups' financial needs and include support with funding applications, assessing capital requirements, matchmaking between startups and investors, and helping firms to maintain and develop contacts. Incubators often perform informal preparation work to increase the startup's chances of successfully obtaining funding. Aaboen et al. (2011) argue that startups coming from incubators are often more successful compared to other startups in attracting external capital, especially from public sources.

2.2.8 Network

A key part of a corporate incubator's value proposition lies in the expertise and resources it can offer to its startups (Grimaldi & Grandi, 2003; Kötting, 2019). However, this internal support is not always sufficient. When the corporate lacks certain knowledge or capabilities, the incubator can instead take the role as a gatekeeper or coordinator and connect startups with external experts and third-party service providers (Colombo & Delmastro, 2002). Thanks to their extensive networks, corporate incubators are often well-positioned to facilitate such connections and help startups access the support they need. A study by Neck et al. (2004) shows that the informal network between corporate incubators, startups, and strategic partners is of high importance for early founders. Grimaldi and Grandi (2003) further highlight that corporate incubators often have well-established networks of strategic partners, which the startups can benefit from.

Through their network, startups can get access to external expertise and capabilities that don't exist in-house but are essential for their development. Incubators often have contacts with potential customers, suppliers, universities, and service providers (Rice, 2002). Other external actors that are deemed to be of importance are technical and marketing experts, legal and IP consultants, accountants, and potential investors (Smilor & Gill, 1986). This access can facilitate the startup's growth and shorten its time to market. These findings are supported by Hughes et al. (2007), who describe how the incubator's large partner network offers opportunities for value creation even though it's up to the individual startup to realize these opportunities. Through leveraging their network, incubators can offer services, specialist knowledge, access to finance, and even intellectual property that supports the startups throughout their journey (Aaboen et al., 2011). Simultaneously, the sharing of resources and relationship building within the network enables the corporation to improve its own reputation and credibility (Aaboen et al., 2011). Moreover, newly founded businesses are, according to Brüderl and Preisendörfer (1998), more likely to survive when receiving support through the corporate's established networks.

Incubators play an important role in helping startups build and expand their business networks. Shih and Aaboen (2017) investigated how Swedish business incubators mediate network relationships for their startups. They argue that incubators are effective at supporting startups within their micro net, which is their local and familiar network of support actors such as funders, advisors, and public institutions. Shih and Aaboen (2017) however, see that incubators typically struggle with connecting startups in the macro net, such as commercial actors like customers or industry partners.

The authors divide the network mediation between direct and indirect mediation in both micro and macro networks. While direct mediation in the micro net, such as arranging meetings with known funding bodies, is common, direct mediation in the macro net, such as introducing startups to new customers, is rare. Instead, incubators often support startups indirectly, either by offering contact information and advice within their existing network or by helping to strengthen the startup's legitimacy, enabling them to approach external partners more easily. However, Shih and Aaboen (2017) argue that successful network building also highly depends on how proactive the startup is in seeking out and nurturing potential connections. Pettersen et al. (2015), on the other hand, emphasize the importance of the startup's role in network development. They argue that the most valuable networks for a startup are often those it has built independently. These tend to be more tailored to the specific needs of the startup, while the networks facilitated by the incubator are typically more generic in nature.

3. Method

3.1 Research strategy & design

When defining the research strategy for a study, it is important to outline the overall approach guiding how the research is carried out. For this study, a qualitative approach was conducted. A qualitative study analyzes words and images to understand underlying meanings, perspectives, and experiences (Merriam, 2009). The main purpose of this study was to explore which components are important in a corporate incubator to create value for the corporate itself. When exploring important components, there is a need to understand the collaboration between corporations and startups. These collaborations are uniquely designed to match the organization and startup, making them difficult to quantify. Interviews to understand people's experiences are therefore deemed to be the most effective approach for gaining insights about these types of collaborations. Creswell (2017) further argue that qualitative research is best suited for analyzing the behaviors of individuals, groups, and organizations as well as for examining subjective experiences, beliefs, and attitudes.

The study adopted an exploratory approach. An explorative study involves an iterative process, where data collection and theory development occur simultaneously and insights from the data provide direction for further research (Creswell & Creswell, 2017). Since there is limited information available on the collaboration between startups and corporations, especially for incubators in Sweden, there were difficulties in knowing what information was available from theory and interviews. Therefore, an exploratory design where data collection could guide the identification of relevant information and inform the theoretical framing, was considered the most useful. Furthermore, Olawale et al. (2022) argue that an exploratory design is useful when investigating an undefined problem which aligns with this study. The process of the exploratory design starts with a broad concept and tries to identify what can be interesting for future research. The research question should be explored from different angles on the problem rather than providing a hypothesis (Olawale et al., 2022). Furthermore, the research questions should be explored by going back and forth and gaining insights from both primary and secondary research methods. For this study, secondary research in the form of literature reviews was first conducted. This was followed by primary research through interviews. Insights gained from these interviews led to a revised and more critical review of the literature, research question, and the semistructured interviews making the process iterative and reflective. The study started with a wide range of interviews with for example public agencies and business incubators to understand how incubators work, to later change focus to corporate incubators, where most of the result is derived from. The earlier conducted interviews were however important to scope the research question and get to the final findings.

While exploratory research designs define the overall research purpose and structure of the study, the logic used to analyze knowledge for this study was finally chosen as an abductive approach. An abductive approach combines elements of both deduction and induction to address their respective limitations (Timmermans & Tavory, 2012). For a deductive approach, hypotheses are formulated in advance and then tested through analysis (Bell et al. 2022). In contrast, an inductive approach means that theory emerges as a result of the research process. The abductive approach is instead moving back and forth between theory and empirical data to refine their understanding of the phenomenon (Bell et al. 2022). The abductive approach provides flexibility in a study, allowing for the combination of relevant elements from different theories and frameworks (Timmermans & Tavory, 2012). This was helpful in this study as it made it possible to develop new insights over time, rather than only testing existing theories or being limited to a single perspective.

Moreover, the study employs a case study design, where the case consists of how a corporate incubator collaborates with startups. A case study focuses on a specific, defined situation or system that has a clear purpose (Bell et al. 2022). In the study, multiple incubator initiatives were being analyzed, but since the research question is focused on the design of a corporate incubator, and not a comparison between different initiatives, it can be argued to be one case. The key goal of a case study is to gain deep insights into how this setup works in real life, and it often highlights the unique features of the case (Bell et al. 2022).

3.2 Data collection

The data collection consisted of 23 semi-structured interviews. Bell et al. (2022) argue that data collection and finding the right method are the most crucial aspects of a research project.

Semi-structured interviews were designed with a set of standard questions for each interviewee while allowing space for follow-up questions. This is a flexible approach that promotes discussion and helps identify areas of particular interest to the interviewee (Olawale et al., 2022). Since this study follows an explorative research design where insights from interviews are continuously integrated into the research process, semi-structured interviews align well with the study's main purpose to be able to gain new insights by "follow-up questions" during the data collection phase. Additionally, semi-structured interviews are suitable for small sample groups (Mwita, 2022), which is relevant for this study, as 23 interviews were conducted. The initial interviews were structured with questions to understand how the incubator and corporates collaborate. During the study, the questions were refined due to new insights gained and the final interview guide was inspired by Schuh et al.'s (2017) corporate configuration model. Questions about what value the corporate gained from having an incubator and how the corporates was thinking about the design of the incubator were asked. The design questions were based upon the following components: strategic focus, source of ideas, governance model, location, equipment, access to firm's resources, funding, and network. The final interview guide is presented in the Appendix.

Interviews were conducted with individuals from organizations engaged in different corporate incubator initiatives. To gain deep insights from different perspectives, a diverse range of participants working with different incubator initiatives were interviewed, including business incubators, government authorities, startups, VC firms, and innovation hubs. The interviewees are shown in Table 2. The goal was to understand both the viewpoint of incubators and the experience of other players, to understand how corporate incubator initiatives interact and impact.

Interviewees were carefully selected to be able to gather deep insights. The process began with talking to people collaborating with CampX, and continued using a snowball sampling approach to find additional participants. Snowball sampling is a method that involves establishing initial contacts who then recommend other relevant individuals to interview (Bell et al. 2022). Snowball sampling has gained popularity in qualitative research in recent years, as it provides an efficient way to connect with suitable respondents even without existing networks (Parker & Scott, 2019). The method has also faced criticism since it does not generate a random sample (Parker & Scott, 2019). Given the exploratory design of this study, where the theoretical framework was not predetermined, snowball sampling was an effective strategy for finding key individuals based on insights gained throughout the research process.

Table 2. Interview participants

Corporate incubator	Innovation manager
Corporate incubator	Incubator Manager and Operation Lead
Corporate incubator	Global Director Sustainable innovation
Corporate incubator	Senior Business Developer
Corporate incubator	Head of Ecosystem Strategy & Projects
Corporate incubator	Incubator Manager & Innovation Manager
Corporate incubator	Society & Community Manager
Corporate incubator	Innovation Catalyst
Business incubator/accelerator/VC	Swedish Director
Business incubator	CEO
Business incubator	CEO
University incubator	Investment Director
CVC	Technical Director
VC/incubator	General Partner
VC	Founders (3)
VC	CEO/ Fund manager
Startup	CEO
Startup	Founder
Public Authority	CEO
Public authority	Region developer (2)

Public authority	Vice President

3.3 Data analysis

To analyze the data, Braun & Clarke's (2006) six-step approach was used, see figure 1. It was an iterative process, where the data was first familiarized, then generated in initial codes, and followed by theme identification. The themes were inspired by Schuh et al.'s (2017) corporate incubator configuration model and then refined to fit this study. The final themes to answer the research question included: strategic focus, source of ideas, the governance model, location, equipment, access to firm's resources, funding, and network. As the study is based on semi-structured interviews with open-ended questions, the responses reflect what the interviewees themselves chose to highlight. This means that the answers may not always provide a complete overview of all activities or offerings within the incubators, but rather emphasize what the respondent considered most important or relevant during the interview. Consequently, the data presented in the study should be interpreted as the interviewees' perspectives on key aspects, rather than exhaustive descriptions. This kind of analysis, when identifying themes and patterns, is defined by Ryan & Bernard (2003) as thematic analysis.

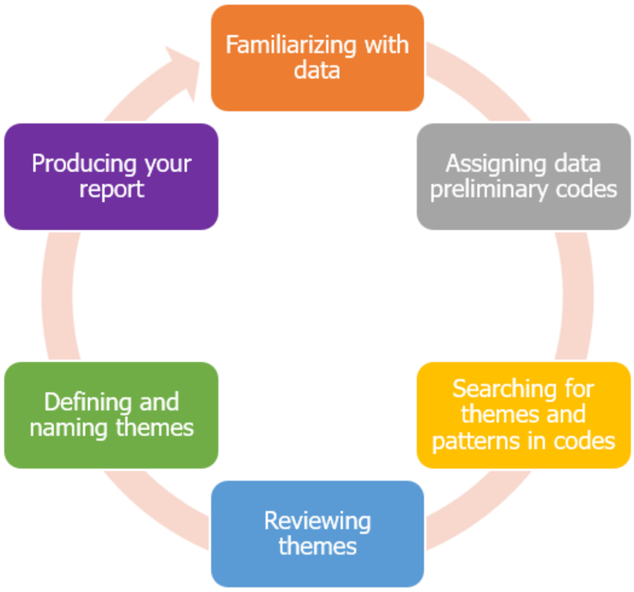

Figure 1. Braun & Clarke's six-step approach for data analysis (2006)

3.4 Company incubators

Table 3. List of company incubators interviewed in the study

Company	Status	Active years	Description	Objective
Electrolux	Active	2010	Open innovation function focusing on startups	- Learn from external sources - Bring in an entrepreneurial mindset
E.ON	Closed	2016	Accelerator including both external and internal ideas	- Change the culture within the organization
Ericsson	Closed	2019	Internal incubator	- To embrace innovativeness by creating an entrepreneurial mindset - Give credence to people with new ideas.
ABB	Active	2016	Open innovation function, working as a matchmaking function for startup to join ABB's ecosystem	- Bring a startup mindset to the organization
Astra Zeneca	Active	2014	Innovation hub, where AstraZeneca they support scaleups	- Develop technology that is important for the future for Astra - Ensure that Sweden creates new technology and is still relevant for AstraZeneca
Volvo Group	Active	2024	Incubator, where they help external early-phase companies that develop solutions within sustainable mobility	- Find new suppliers - Learn from the startups way of working
IKEA	Not started	2025, fall	Incubator, focusing on external home products	- Give back to the city Älmhult - Create positive branding awareness - Bring new creative ideas
Zapster	Closed	2016	Incubator, helping external and internal ideas	- A way to collaborate with startups via partnerships

Electrolux
Electrolux is a home appliance company. They have an open innovation function, where startups and Electrolux collaborate which started in 2010. Electrolux support startup development and support them with building networks with different partners. It is a way for the organization to look outside the company to find new ideas, talk to innovators, and share trends with people in the organization. Furthermore, they are helping both people inside and outside the company to work together, support open thinking, and encourage them to lead their open innovation projects. The objective of the open innovation function is to learn from external resources. It is a way for the company to bring in an entrepreneurial mindset to the organization and realize that there are many good solutions already existing, and that it is often faster and lower risk to bring in those opportunities than to re-create what already exists internally.

E.ON
E.ON is an electricity and energy company that had an accelerator program between 2016 and 2020 in Sweden. They first started in Germany, and due to some reorganization, they moved to Sweden. Their main objective was to change the culture inside the company to understand that they need to seek external help, but also to think more creatively. Therefore, their accelerator program was set up with both external and internal ideas, where employees were able to test their ideas and work in the accelerator for 6 months, and at the same time, the company had a structured way to work with external startups. The value the organization got from the incubator program was a change of mindset within the employees, they realized what they were able to do alone, and what was better to ask for external help. Furthermore, it also improved their branding, as the reputation increased when working with startups, which made it easier to recruit competent people.

Ericsson
Ericsson is a telecommunications and information technology company. They started Ericsson One, an incubator for intrapreneurial ideas in 2018, where employees had the opportunity to launch their own company. The incubation phase of the intrapreneurial ideas consisted of a minimum viable phase, where the simplest version of a product was created, existing for 6-8 months, and after that, an industrialization phase lasting for 18-24 months. Otherwise, people who have ideas inside big organizations sometimes exit and try to do it by themselves. By creating the incubator, Ericsson was able to catch ideas inside the organization that could be developed further, and at the same time, the employees didn't take the risk of creating something of their own. Their main objective was to embrace innovativeness, create an entrepreneurial mindset, and give credence to people with new ideas.

ABB
ABB is an organization focusing on electrification, automation, robotics, and digitalization. They are running an incubator initiative working as a matchmaking function for startups to get into the ABB ecosystem. They help the startups grow by giving them advice and connecting them with ABB's contacts, customers, partners, and technology, so the startups can expand worldwide. The main objective of this initiative is to bring a "startup way of thinking" to the top managers and then use that to cascade it down through the whole organization. Furthermore, they wanted to create a structured way of working with startups, including IP and legal processes that are needed for collaboration. There is also a minimization of risk by using external ideas and not only

developing on their own. The initiative started with only Swedish startups but has expanded to startups from any country ABB thinks is relevant.

AstraZeneca
AstraZeneca is a life-science company that in 2014 started AstraZeneca Biohub. They had some extra office space available and used this to invite scale-ups to come and learn from them. Today, it has developed into an environment where AstraZeneca is helping and supporting the scale-ups with its knowledge. It is an open innovation hub where scale-ups and academia work and grow together, fostering partnerships by connecting different stakeholders. The main reason behind this environment was that they found a gap between the time after incubation and commercial business for the startups. A lot of startups are not failing due to a bad idea. Instead, the entrepreneurs don't know what to do at this stage and need more support. Their objective is to develop technology that is important for the future and make it ready when AstraZeneca needs it, and to ensure that Sweden is still relevant for AstraZeneca's investments. Their perceived value except for the technological development is the cultural experience and how they learn from each other, but also the publications they do together with the scaleups.

Volvo Group
Volvo is a mobility company. They started the incubator startup program in 2023 to focus on helping early-phase companies that develop solutions within sustainable mobility. One of the driving factors behind the initiative is to be able to learn from and work with startups in very early phases, as other collaboration initiatives they had were adjusted for more developed companies. Without the incubator, they faced the risk of missing that potential value from the very early startups and how they in the future could become great suppliers to Volvo. The objective was to learn from the startup's way of working and to speed things up within Volvo.

IKEA
IKEA is a company focusing on home products. In the fall of 2025, they will launch an incubator in collaboration with the local municipality of Älmhult. Their main objective is to help startups start and grow in this area and give back to the municipality. By starting this initiative they also want the area to grow in terms of entrepreneurship, which creates jobs and can therefore bring entrepreneurs and competence. The city is an important place for them, and they want it to remain an attractive city to live and work in. They want to be a complement to other incubators where they can contribute with their knowledge. Moreover, they expect the incubator to create positive branding awareness and bring new creative ideas into IKEA from the startups.

Zapster
Zapster is a diversified conglomerate, particularly focusing on technology and entertainment.
Since 2016, they have tried different setups of innovation initiatives together with startups, which have evolved in response to the changing needs of companies and startups. It started with an incubation program, where Zapster was using internal ideas from employees, often outside the company's core business, to create potential new businesses. The program was launched in response to a growing number of employee-driven ideas that didn't fit within Zapster's traditional business units. This was then expanded for external startups to participate in. The objective of the incubator was to collaborate with startups via partnerships.

4. Results & analysis

4.1 Strategic focus

Table 4. Analysis of interview responses related to the strategic focus.

Company	Existing market	New market
Electrolux	●	●
E.ON	●	●
Ericsson	●	
ABB	●	
AstraZeneca	●	
Volvo Group	●	
IKEA	●	
Zapster	●	

All the organizations in the study focus on startups that have some connection to the parent organization's market. One of the reasons Volvo started its incubator was to identify and nurture future suppliers, and consequently, the incubator targets startups operating in domains closely related to Volvo's core business. IKEA exemplifies that their choice of strategic focus within the same field is because this is the subject they know most about and where they can provide the most support. ABB is having an advanced application process, where they are validating every startup so they are of value for the organization, that it is a technology they are interested in, and a lot of background checks about the startups.

E.ON and Volvo further align on this, noting that strategic alignment with the parent organization tends to facilitate smoother collaboration as they work with technologies that might already be more compatible. Volvo describes the incubator's strategic focus as being aligned with the rest of the Volvo Group and focusing on their existing market. They also emphasize that someone inside the company needs to think that an idea is interesting. Therefore, it is up to the engineers inside Volvo to interpret which startups align with their strategic focus. By engaging others, they are able to ensure that the strategic focus is maintained while also allowing for decentralised engagement across the company. Furthermore, Zapster's strategy is to only help startups that the Zapster Innovation Fund is interested in, the rationale is that the innovation fund hopefully is going to invest in the startups later.

AstraZeneca also chooses a selective strategy, only admitting companies that either serve a direct strategic interest or stimulate scientific curiosity among AstraZeneca's internal units. Astra, however, highlights that they would never choose a startup that does a product in the same disease area as them, as that would lead to direct competition. This approach is designed to preserve a collaborative and open atmosphere by preventing competitive tensions among scaleups and with AstraZeneca. Though mainly focusing on life science, there is some openness to adjacent emerging fields, like quantum computing, if they hold future potential. This is in the cases where they expect the technologies to be leveraged over industry boundaries.

Which strategic focus a corporate incubator chooses can change over time depending on support from others inside the organization. For example, during the time E.ON started their incubator, the easiest way to convince people in the organization was to choose startups that aligned with the organization. Once internal trust was established, the focus could expand to also include more exploratory startups. This had do be done successively as E.ON experienced tendencies for "not invented here" syndrome.

In contrast, Electrolux is open for collaboration with partners outside their existing market; they argue that "they don't know what they don't know," and therefore it is important to collaborate outside their own field to share knowledge. They also highlight that collaboration within other markets can lead to a cross-industry collaboration, which is beneficial for testing something, looking into another technology, or sharing knowledge. Ericsson represents a different case, as its incubator is built around intrapreneurship. Their focus is therefore to use ideas inside the company that are beneficial for Ericsson to work with, but not part of the core portfolio.

To summarize, all organizations are highlighting the importance of strategic alignment between startups and the parent firm. The reason behind this is that they want to ensure relevance and maximize value creation. There is variation in how strict they are about staying aligned with their main focus. Companies with a more developed culture around innovation are often open to working with startups in related or completely new areas. Others prefer to use startups that are closer to their strategy and what they already know well, using their experience to support startups in ways that fit clearly with the overall strategy.

4.2 Source of ideas

Table 5. Analysis of interview responses related to source of ideas.

Company	Internal	External	Reactive	Proactive
Electrolux		●	●	●
E.ON	●	●	●	●
Ericsson	●			
ABB		●	●	●
AstraZeneca		●		
Volvo Group		●	●	●
Zapster	●	●	●	●

The results show that the corporate incubators have different strategies regarding how corporate incubators source ideas, they do this either internally from employees, externally from startups, or through a mix of both.

Electrolux, ABB, AstraZeneca, and Volvo only use external startups as innovation input. Their incubators work as bridges to bring in external knowledge, access new technologies and business models beyond their core operations into their organization. Volvo emphasizes that in one year, they also want to bring in internal ideas, explaining that it is important to capture and make use of internal ideas instead of letting them slip away.

In contrast, E.ON and Zapster use both internal ideas and external startups. E.ON's incubator was established to shift internal culture. The company struggled with a conservative mindset where employees were afraid to take risks or ask for collaboration. The incubator was therefore set up to change this culture to encourage employees to come up with new ideas and to realise they were not able to do everything alone and needed external help. At the same time that E.ON saw a value in external startups, they wanted to push their employees to be more creative. Therefore, they create an opportunity for their employees to pause their daily work and work in the incubator program for six months. By allowing employees to take this break, E.ON aimed to foster creativity and external collaboration at the same time.

Ericsson, on the other hand, focuses solely on internal ideas. They found that they had a lot of smart people inside their organization and that it is important to keep these people and their ideas to create a business. Therefore, they set up challenges where employees were able to submit proposals of ideas, and if selected, were allowed to develop their ideas full-time within the incubator. This model reflects a belief in retaining and developing internal talent while also promoting entrepreneurial thinking within the company.

When sourcing external startups, the companies had different approaches. Electrolux, E.ON, ABB, Volvo, and Zapster use both proactive approaches, where individuals within the company actively seek out startups, and reactive approaches, where startups themselves apply to collaborate with the companies. Volvo exemplifies that the ideal situation is that around 80% of the ideas of startups to bring in come from someone inside Volvo and 20% from incubator scanning. Volvo mentioned that the advantage of a proactive approach is that the organization's is able to offer the startups something easier, they have a network of knowledge, and can support them. At the same time, they are highlighting that by limiting to a proactive approach, there is a risk of missing the outside-the-box thinking and being unable to learn from others. Zapster highlights that they always help employees who need external help to find startups, but at the same time, they need to be out and scout what is new to be up to date.

To create internal engagement, ABB created startup challenges where an employee identifies a problem area they want to solve, and then the incubator finds startups from around the world that could be relevant. This is a way for them to align external startup engagement with strategic problem areas, ensuring that external collaborations are not only opportunistic but also targeted.

4.3 Governance model

Table 6. Analysis of interview responses related to the governance model.

Company	Integrated	Separated	Network structure	Close collaboration
Electrolux		●		●
E.ON		●		●
Ericsson		●		●
ABB		●	●	
AstraZeneca	●			●
Volvo Group	●			●
IKEA		●	●	●
Zapster	●			●

Ericsson, Zapster, and E.ON show examples of incubators working with intrapreneurs, meaning employees with innovative ideas developed inside the company. Initially, all these companies placed these internal ventures into separate, dedicated units to give them space to grow. At Ericsson, this structure maintained the ability for intrapreneurs to access existing networks and resources across the company. However, because these projects didn't always align with existing business units, they were still perceived as somewhat separate. Zapster, on the other hand, initially operated under a separate model where internal ideas were placed separately, but encountered problems when internal staff were removed from their units to join incubation teams. It caused friction and reduced long-term engagement within the parent company. In response, Zapster shifted to a more integrated approach, allowing each business unit to keep their staff and have them incubated closer, which worked better for Zapster.

Other companies, such as Electrolux, E.ON, ABB, and IKEA also describe relatively autonomous setups. Electrolux emphasizes the value of being organizationally separate. According to them, this independence offers a broader perspective and allows for cross-company thinking which is helpful to avoid being too colored by an individual department. E.ON similarly shared that their accelerator was run entirely by one person due to limited resources. This incubator manager did however receive full authority, which allowed for high flexibility and quick decision-making. This mandate was valuable in situations, for example, when the incubator manager identified great mentors or internal ideas, no one could argue against her. ABB's initiative is loosely connected to ABB in one sense as it works independently and neutrally to be able to fulfill its objectives of bringing startups to their incubator initiative. Wihtin the intiatives there are both members from ABB and external parts that the startups can be connected to Even though these are rather separated from the parent company, they are all working tightly with the people from the organization to ensure that the incubator is focusing on relevant topics and startups for the rest of the organization. Electrolux mentioned however, that even though it comes with freedom, there are times when additional involvement of product lines could have increased the understanding of the internal technical needs. IKEA is aiming to set up a relatively autonomous setup, which potentially can be explained by their objective, in one way similar to ABB, aiming to have a neutral part in a network-focused system. The project is also co-owned by the municipality, which presumably impedes tight integration with the IKEA organization.

AstraZeneca and Volvo both see their incubators as very integrated with the parent company. AstraZeneca's BioVentureHub does however, report directly to the CEO, but the startup selection is driven by internal interest and scientific relevance from other divisions of AstraZeneca. At Volvo, CampX is embedded in the organization, with cross-functional committees from all divisions supporting projects and admission to the incubator. The incubator manager earlier preferred a more standalone model, but now highlights that access to Volvo's internal network and way of thinking has been key to success, which would not have been possible with a more separate unit.

4.4 Location

Table 7. Analysis of interview responses related to the location of the incubator.

Company	At the parent company	Other location	Remote
Electrolux			●
E.ON		●	
Ericsson	●		
ABB			●
AstraZeneca	●		
Volvo Group	●		
IKEA		●	
Zapster	●		●

The different organizations have chosen different approaches to the location of their incubator. For example, Ericsson, AstraZeneca, and Volvo have placed their incubators in the same place as their main office for the startups to easily integrate them into their business and learn from each other. Volvo sees a big value in sitting together, and argues that value can be created by small talk over the coffee machine. Important to highlight is that the startups in Volvo's incubator program are not coming to the office as much as they expected, since they likely already had office space at other offices, incubators, or didn't see any value in going to Volvo's office. Therefore, the value of co-location has not been fully tested. Whether the startup and the parent company create value by sitting together could depend on what kind of business they are running. For example, AstraZeneca's innovation program has resulted in successful collaboration due to the placement of the program in the same building as the parent company. A lot of scale-ups are using Astras' office and test lab space daily, and the length of the projects has decreased, resulting in cost savings. One reason why startups at AstraZeneca are using their spots more than at Volvo could be that startups in the life-science sector are more dependent on test labs than startups in the automobile sector. Another reason could be that AstraZeneca's initiative has existed for a longer time and has had more time to attract startups to their office.

E.ON and IKEA have used another approach, placing all startups together in a location outside the head office. E.ON realised that placing startups at their head office had a negative effect on the startups due to a cultural difference between startups and corporations. It created more irritation and frustration among the startups, as the parent company's slow pace hindered progress rather than creating entrepreneurial value for the organization. The solution was to place E.ON startups in another incubator, Mink Malmö-municipality, to create a space where startups sit together and learn from each other. At the same time, each startup had a mentor at E.ON who could connect them to the organization. They were more than welcome to visit and talk to people at E.ON, but meetings needed to be scheduled in advance. This approach turned out to be a more successful way for E.ON to collaborate with startups.

As a first step for IKEA to build their incubator, they are collaborating with Älmhults municipality. Therefore, the placement of the incubator will be in a separate building in the center of the city. The reason behind this decision is that they want to give something back to Älmhult and not be too closely related to IKEA's other businesses outside the city center. Furthermore, they see advantages in that the incubator and the startups participating are not in the first step only connected to IKEA. Instead, there is a neutral spot open for other organizations to collaborate with the startups. They are aiming to create a creative space where different parts can gain value from each other by bringing in other organizations focusing on innovation, for example, Almi Företagspartner, who supports small and medium-sized enterprises with for example, loans and business development.

ABB highlights that they are welcoming startups from all over the world to their initiative, and therefore, it is hard for them to accommodate the startups to be located at their office. Instead, the innovation department is a separate business unit at their parent company's headquarters in Västerås, but every resource they provide is given out virtually, except for some specific physical events. Electrolux argues that remote work can be easy with all the digital tools we have in today's society, but when it comes to testing innovation, it is easier to be physically present. Electrolux has set up its initiative at offices all around the world, in different innovation departments, specifically focusing on Italy and Sweden. This makes them able to collaborate with innovation from different parts of the world, but still have their hub located close to the parent company. Even though the hub is located close to the parent company, they are not inviting startups there, which does not unlock the typical expected benefits of having it located close. In contrast, Zapster also helped startups in different parts of Europe, which co-located and came to the office from all over Europe every Monday and Tuesday to discuss different topics. They saw a clear advantage in meeting in real life to be able to build a strong relationship, but at the same time, it was time and cost-ineffective. When Covid hit, they started to work digitally instead, but still having some physical events, it worked very well, and they realized how easy it was to connect the startups with different business units all around the world to reach out for help. From Zapster's perspective, a key downside of the fully virtual approach was the lack of in-person interaction, which made it harder to build trust. Without meeting the startups face to face, they also felt uncomfortable about offering support, as the relationships felt distant and impersonal.

4.5 Equipment

Table 8. Analysis of interview responses related to the equipment offered in the incubator.

Company	Knowledge sharing	Mentor	Office Space	Business Developme nt	Legal	Tailored program	Co-developing opportunity	Test bed	Extended connection support
Electrolux	●	●					●	●	
E.ON	●	●	●	●					●
Ericsson	●	●	●	●					
ABB	●				●		●		●
AstraZene ca	●		●					●	
Volvo Group	●	●	●		●			●	●
IKEA	●	●	●	●				●	●
Zapster	●	●	●		●	●	●	●	

It is clear from the interviews that the interviewed corporate incubators are offering a wide range of services to startups, but with varying focuses. One of the most prominent offerings is the corporates' emphasis on sharing their internal knowledge and expertise. All the interviewed companies explicitly mention that one of their main contributions is to provide startups with access to deep, specialized knowledge that is often difficult to find elsewhere. This knowledge is connected to each firm's specific area of competence, such as "life at home" for IKEA or chemical modelling for AstraZeneca. The majority of initiatives mention that the way to ensure knowledge sharing, as described in interviews, is through mentors from the parent company. That means that startups often are connected to a mentor from a relevant department for the specific product of the startup, so that the startup can exchange thoughts to get input for their own development. Mentors can also serve as a network provider that further connects the startup with other relevant people in his or her network to work with and learn from. E.ON and Ericsson both emphasize the importance of choosing the right mentors for success, as it is important that they believe in this way of working to be able to have a two-way knowledge exchange. E.ON further describes that this is important if one of the incubator's objectives is to bring in the flexible and fast-paced way of working as startups have.

In many cases, support is also offered in the form of testbeds and co-development opportunities. Incubator's offering depends on the nature of the industry, as an example, E.ON mentions that they are not offering any testbeds as this is not the way they are working, while this is used by Electrolux, Ericsson, AstraZeneca, and Volvo where this might be more efficient and easy to borrow and use. While office space is mentioned in some of the interviews, this is not a major focus, but rather something basic that some offer. A startup coming from one of the incubators mentioned that they would highly value testbeds as part of the incubator's offered equipment, while the incubator itself described that this was one of their proudest offerings. This indicates that the transparency of available means is not always as outspoken. It also highlights the importance of communication of what the incubator is offering as well as asking from the startups side.

A major recurring theme is the importance of networks and connection-building. Almost all companies describe some form of matchmaking, mentorship, or structured introductions. E.ON, for example, assigns mentors to each startup and emphasizes the value of internal buy-in by selecting people with a "champion mindset." ABB's initiative is very networking-focused and describes a structured approach to onboarding startups, where they guide them through internal processes and validate their fit and connect them to a department or company within the ecosystem. IKEA also highlights the importance of involving both internal and external actors, including banks, universities, and corporate partners, to build a strong support network, and their aspiration is that other actors will be closely connected to their network. The importance of networking is a common thread throughout the interviews and is also strengthened by other actors being interviewed, such as SISP, PlugNPlay, and Norrsken.

The degree of business development support varies. E.ON and Ericsson describe active efforts to help startups shape their business cases since they believe it is crucial for the startups. In contrast, AstraZeneca explicitly states that they do not support business development, as they believe startups can access that on the market themselves. This view seems to be shared by IKEA who mean that they should focus on what they are doing best, and believe that someone else probably could support in business development as well as they can. Norrsken is also sharing this view as they refer people who want to learn how to build a business to YouTube.

While all incubators aim to support startups, they differ in how they structure their programs, what types of resources they offer, and how involved they are in the business development process. What they all, except for Zapster, have in common is that the programs are highly tailored to the individual startup's specific needs, and a lot of resources can often be allocated if asked for. Some incubators act more as facilitators of knowledge and access, while others play a more active role in shaping and accelerating the startups' journeys.

4.6 Access to firm's resources

Table 9. Analysis of interview responses related to access to firm's resources.

Company	High access	Medium access	Low access
Electrolux			●
E.ON		●	
Ericsson	●		
ABB			●
AstraZeneca	●		
Volvo Group	●		

IKEA		●	
Zapster			●

Several firms, including AstraZeneca and Volvo Group describe a high level of access. Volvo states that their startups can essentially "access everything" once they are accepted, including office space, labs, and interaction with engineers. They also highlight the importance of an access card, which enables them to network over a coffee within Volvo's buildings. AstraZeneca notes that internal staff and startups have equal access to their labs, unless specific procedures or analyses are restricted, at which point they explore ways to help through internal departments.

IKEA also describes a relatively open approach, offering testbeds and access to knowledge if requested by the startup. However, they clarify that startups must ask for access, and it won't be offered automatically, suggesting a more conditional and on-demand model. As startups will be located at another place, it makes it, in that case similar to what E.ON describes. Both the cases of E.ON and IKEA could indirectly indicate more barriers due to physical separation and interaction frequency. At E.ON, startups were located in a separate building and mostly visited the corporate only for scheduled meetings. While startups could meet with mentors and staff, much of the interaction relied on the initiative of the startup itself. ABB aims to connect startups to internal parties and then give them the freedom to collaborate, and when they collaborate, they can share a lot, but it is up to the individual decisions.

In contrast, Zapster reports significant barriers to access, especially in earlier stages of their startup collaborations. Due to the sensitive nature of their technology and concerns over industrial espionage, they implemented strict internal rules. Startups could not access anything directly by themselves, but every interaction went through Zapster staff, and nothing was shared unless protected by an NDA. This high level of control was seen as necessary to protect both the corporate and the startups, but required a great deal of internal work to manage. AstraZeneca, who describe a very open sharing culture, has ensured this "dare to share" culture by avoiding admitting companies with competing technologies or solutions.

4.7 Funding

Table 10. Analysis of interview responses related to funding.

Company	Direct investment	No financial involvement	Facilitation of external investment connections	Preparation for investment readiness (e.g. pitch training)	Support in investment maturity (e.g. commercial validation)
Electrolux		●	●		●
E.ON		●	●	●	●
Ericsson	●				●
ABB		●	●		●

AstraZeneca		●			●
Volvo Group		●	●		●
IKEA		●	●	●	●
Zapster	●				

The topic of funding shows a variation in how corporate incubators choose to engage financially with startups. Across most cases, startup investments are uncommon but sometimes occur as exceptions. The perceived responsibility of helping startups with funding also varies. Most of the interviewed incubators, as seen in Table 10, focus on building connections to external investors or providing non-financial support to help startups become "investment-ready". Incubators can support non-monetary by, for example by supporting them with pitch training. It is also prominent during interviews that corporates believe that they are important for startups as they can give them a "stamp of approval" as the corporate can be an early customer or validate the product, so the startup easier can reach out to other customers. It is according to PlugNPlay, an actor being both a VC and an incubator, highly critical to show the existence of customers to receive funding. Moreover, the interview with PlugNPlay emphasizes that the most important factor for a startups success is their ability to pitch to get funding, without this, all startups will die. Other corporate incubator initiatives, like AstraZeneca and IKEA, neglect their role in this area. Their reasoning behind this is that this is knowledge they can get for free somewhere else, by someone perhaps doing it even better. They both agree that they should contribute with the parts they are doing the best, which is not funding support.

Several companies, including Electrolux, ABB, and AstraZeneca, clearly state that they do not invest in startups. ABB, through its incubator initiative SynerLeap, frames its role as a matchmaking platform, leaving investment decisions to other divisions within the company. They also stress the importance of keeping relationships flexible by "no strings attached" and allowing startups to retain ownership and independence. AstraZeneca expresses a similar view, preferring to let startups secure their own financing, with the possibility of acquisition rather than investment if strategic alignment appears later. Electrolux does not offer direct investment opportunities although business units can decide to invest in the selected startup on a need base. Electrolux is also able to connect startups to external funding opportunities such as VCs to ensure a wide range of funding options are available for the startups they engage with, as this is of high importance for the startups, and thereby also for Electrolux.

Volvo Group illustrates a difficulty with investing, which is the slow and bureaucratic investment process, which is not well aligned with the fast pace of early-stage startups. They emphasize that investments require a longer time horizon, which means that their corporate VC arm tends to invest at a later stage and targets larger startups, which makes it difficult to do so for early-stage funding. As Volvo's incubator's objective is to work and learn from a wide range of startups, the incubator manager metaphorized their approach to "speed dating" rather than "marriage" as with long-term financial commitment. There are similarities with the insights by Zapster, who also saw that the investment process was heavy and required a high internal effort. Due to their different objectives, they decided to go the other way around than Volvo and realized that for them it was better to go for the “marriage” and thereby shifted to focus on larger, more strategic investments through its dedicated innovation fund, which manages significant capital and is better aligned with the company’s long-term goals.

Among the interviewees, there are also hybrid cases. While not primarily focusing on investments, they occasionally invest during the incubation period if there is a strong strategic fit. This is seen among E.ON, Volvo, and IKEA. But as Volvo likened it, if you go on 100 dates, you might end up finding one high-quality startup to marry among them. As IKEA’s intention is to create a “neutral ecosystem” this can be impeded if they are taking a stake in the startups, as other parties can be unwilling to share their knowledge and resources with them in that case.

Ericsson, Zapster, and partly E.ON are unique in our interview sample as they incubate internal ideas. This means that they are also funding the ideas throughout their development journey. If a project is later spun out, the company may retain a minority stake. This approach reflects the companies’ internal focus and long-term view on innovation originating from within the company.

4.8 Network

Table 11. Analysis of interview responses related to network

Company	Industrial partners	Public actors & institutions (e.g. universities)	Investors (e.g. VCs, CVCs, business angels)	Customers	Business incubators
Electrolux	●	●	●		●
E.ON	●	●		●	●
Ericsson	●	●		●	
ABB	●			●	
AstraZeneca	●	●			
Volvo Group	●		●	●	
IKEA	●	●	●	●	●
Zapster	●				

A strong and relevant network is widely recognized by the interviewed companies as one of the most valuable resources an incubator can offer. They do all agree that startups cannot succeed in isolation, they need a network with access to knowledge, customers, partners, and funding. However, how this network is built, maintained, and offered to startups varies across the organizations.

Most companies emphasize the importance of connecting startups to a diverse mix of actors. These include:

- Industrial partners, who can offer valuable industry product insights and become early customers.
- Public actors and institutions (e.g. municipalities, public agencies, universities, Vinnova) which can offer other types of support, such as business development advice and other types of funding.
- Investors (e.g. VCs, corporate venture arms, business angels)
- Customers - both internal (within the parent company) and external
- Business incubators

Several organizations describe a structured and proactive approach to network building. For instance, ABB sees its role as a catalyst as their entire objective is matchmaking between startups and corporate partners within their network/ ecosystem. Ericsson and Volvo Group similarly mention how they connect startups to industrial partners, internally and externally. AstraZeneca highlights its emphasis on knowledge exchange through a "dare to share" culture within its ecosystem internally but also in partnerships with hospitals and universities.

E.ON focuses on external partnerships as a complement to internal support. They collaborate with local incubators, universities, and other corporates to complement their own support by helping startups reach customers, apply for funding, or run tests. E.ON also works with customers such as public agencies to understand real-world needs and accelerate validation. This view as seeing oneself as a complement to other support out there, is shared with IKEA which is taking a similar position. They both see that they can offer some particularly good support, and let other actors help in other areas.

It is mentioned in many interviews e.g. Zapster, Volvo, Norrsken, and SISP that a corporate partner can help validate the startup’s idea, which is extremely helpful for the startup as this can save them a lot of time in their development phase. It came up as one of the most important supports a corporate can offer, which is by showing acceptance by industrial partners by either being seen together, or having them as an early customer. This can create positive branding effects for the startup which can help attract other customers but also other customers and investors.

A recurring theme is that networking is not just about opening doors, but about knowing which doors to open which can be extremely hard, not the least in gigantic organizations like these. Many companies stress the importance of having someone internally which often can be a mentor or technical peer, who can guide the startup through the organization and help identify useful connections. ABB, Volvo, and Zapster especially describe how having the right internal champion can dramatically improve the startup’s chances of success.

IKEA mentions forming a neutral ecosystem where many external actors want to participate. ABB has already created a similar system and they emphasize the importance of neutrality and long-term engagement over transactional relationships for networks like this. Others, like AstraZeneca and Zapster, describe the importance of creating a safe, open environment where startups and the corporate can learn from each other.

5. Discussion

5.1 Strategic focus

The results show that all companies choose to focus on startups that are in some way linked to their current business. This aligns with what theory suggests, that innovations close to the company’s core are easier to work with and can lead to better results (Schuh & Vogt, 2020). For example, Volvo and IKEA both focus on areas where they already have strong knowledge and experience. By doing this, they can give the startups better support, and it is easier for the startups to connect with the internal teams.

ABB takes a structured approach and only admits startups that pass a screening process. This is similar to what Schuh et al., (2017) argues that incubators are more successful when they have a clear entry profile and strategic focus. Similarly, Zapster and AstraZeneca also use selective strategies, only working with startups that fit specific goals. For Zapster, this means helping startups that the company might later invest in, and for AstraZeneca it means working with startups that match their scientific interests, but not directly compete with them. This is to create a positive and open culture inside the incubator.

The results also show that even though all the companies prefer working with startups in related areas, some are trying to have a broader scope too. E.ON started with a focus on startups in familiar areas, but later as trust in the incubator grew they could also explore new businesses. This supports the idea that incubators need to match the parent company’s goals, but also be open to change when the conditions allow it (Schuh et al., 2017).

Furthermore, Schuh et al., (2017) argue that companies can also benefit from innovation from cross-sectoral markets and new markets, especially in a fast-changing enironment. In contrast, the results show that all the organizations think it is hard to collaborate with startups outside their market due to a lack of knowledge about the area, resulting in harder collaboration and less knowledge sharing. Electrolux and E.ON though have a more open mindset for innovation beyond their market, but it is not something they focus on. Electrolux believes that working with startups from other industries can help them learn things they didn’t know they needed. This also shows a connection to an open innovation mindset, where companies benefit from ideas and technologies developed outside their own businesses (Chesbrough & Boger, 2014)

However, the findings show that most companies only choose to focus on startups close to their existing business to make collaboration easier and increase the chances of success. At the same time, some also explore new or cross-sectoral areas, especially as they gain more internal support or want to bring in new knowledge. A clear focus helps startups and corporate work better together, while openness to new fields helps the company stay innovative in the long run.

5.2 Source of ideas

The findings from source of ideas, show that companies use different strategies, some focus only on ideas from outside startups, others work only with internal ideas from employees and some combine both sources. The variety reflects what the theory says, there is no single best way to source ideas, different options depends on the company's goals, culture and structure (Schuh et al., 2017).

Companies like Electrolux, ABB, AstraZeneca, and Volvo mainly use external startups as their source of innovation. Their incubators act as bridges, helping to bring in new knowledge, technologies and business models from outside. This aligns with open innovation theory by Chesbrough (2003), which says that companies should not rely only on internal knowledge but also use external networks to access ideas they don not have inside. These external collaborations help companies keep up with change and explore areas beyond their core business.

At the same time, companies like Ericsson focus only on internal ideas. This approach helps retain and motivate their most creative employees, who often possess deep knowledge of both the industry and the organization. As one person from Ericsson explained, "Either the people behind the idea leave to follow it somewhere else, or the idea disappears." To avoid losing these ideas or people, Ericsson has established an internal incubator, a system to find, develop, and possibly launch ideas from inside the company. Laursen and Salter (2005) highlight that internal ideas often match the company's goals and culture better and could therefore be easier to work with. This further supports the value of internal incubators.

Some companies, like E.ON and Zapster, use a hybrid model, combining both internal ideas and external startups. In E.ON's case, the incubator was created to support innovation and to change the company's internal culture. Grimaldi and Grandi (2003) argue that these hybrid approaches have become more common. Employees at E.ON were given time away from their normal jobs to work in the incubator to help them become more creative and open to collaboration. At the same time, E.ON also brings in startups to learn from. This approach aligns with Chesbrough's (2003) idea of coupled innovation, where knowledge flows both into and out of the organization.

The study also shows that companies use different methods for finding external startups. Some are proactive, going out to find startups that fit their needs, while others are reactive, allowing startups to apply. Volvo, for example, tries to find a balance, where they want most of the startups to be identified by employees inside their organization, because then it is easier to offer support and resources. At the same time, they recognize that only using a proactive approach might mean missing out on new ways of thinking. When choosing between proactive and reactive strategies, it is also important to consider the internal capabilities of the organization. As Burgelman (1983) points out, proactive search requires specific internal competencies, while reactive strategies rely more on the company's external attractiveness, which in turn influences which approach is more effective.

Overall, the results show that both internal ideas and external startups have values, but the right balance depends on what the company wants to achieve. External startups help companies bring in fresh thinking and access new technology, while internal ideas support strategic alignment and keep employees engaged. There are types of incubators that are able to support both types of innovation if they allow flexibility and are connected to the company's wider goals. When combining, companies can benefit from deep knowledge inside the company and creative solutions from the outside. There are, though, risks for culture clashes if internal employees and external startups work very differently or have unclear focus.

5.3 Governance model

The governance models among the studied corporate incubators vary significantly, which according to Schuh et al., (2017), is natural as the governance model will reflect their different strategic priorities and internal structures. Schuh et al., (2017) suggests that different levels of integration should be considered depending on the intention of the corporate incubator. One can notice that the degree of integration with the parent company differs between the interviewees, where some incubators are tightly embedded in existing structures, while others operate more independently and report only to top management.

AstraZeneca, Zapster, and Volvo Group are examples of incubators with a high level of integration, where the incubator is embedded within the corporate structure and aligned with internal decision-making. This mostly aligns with Gutmann's (2023) description of integrated incubators, which are often linked to specific business units and designed to fill gaps in the company's product or technology portfolio. What Gutmann (2023) describes, however, does not really match, as neither AstraZeneca nor Volvo link their incubator to specific business units. The goal is to achieve the benefits of integration without becoming too closely tied to specific business units, which can sometimes lead to duplicated efforts or siloed ways of working. This is particularly problematic when knowledge, solutions, or startups could be relevant across several parts of the organization. Volvo provides a good example of how to integrate the incubator in practice without being structurally embedded in every business unit. Volvo has established an innovation committee made up of representatives from different departments, which is involved in the selection and evaluation of startups. This setup ensures that startups with potential value for multiple divisions are not overlooked. It also helps the incubator quickly identify relevant mentors and internal champions across the company. Through this kind of cross-functional coordination, the incubator becomes well-connected to the broader organization and even to several business divisions at once. Gutmann (2023) and O'Reilly & Tushman (2008) describe that the integrated model offers easier access to internal resources and tends to be suitable when the goal is to support incremental innovation or strengthen core operations. All of the interviewed incubators state that they are interested in startups and products that are related to their current business areas, which is described under the section strategic focus.

It is interesting that even though an integrated model is recommended according to the literature, when focusing on incremental innovation, which is what the interviewed corporates describe as what they are focusing on, the majority of the interviewed corporates have chosen a separate governance model. Zapster who tried both models, stated that a separate model did not work for them as it caused friction within the company, which also could be a factor to consider for companies when they are setting up their incubator. An integrated model was instead more suited for them to embed innovation efforts in the organization, into each business unit, and to ensure ownership and long-term commitment. They also realized that an decentralized model worked better for them as they struggled securing buy-in from the parent company when having the separate governance setup.

This move reflects Gutmann's (2023) point that decentralization and a high integration level may be more effective in large conglomerates where units prefer to manage their own innovation. Schuh et al., (2017) further describe this as one of the risks of operating a separate incubator. The interview with Volvo highlights similarities to Zapster that they went from believing a more separated model would be the most beneficial, but later realized that an integrated model is better for them if the collaboration should work between Volvo and the startups. Zapster integrated their incubator to the individual business units later on, which is the most similar case to Gutmann's (2023) integrated incubator.

Electrolux, E.ON, Ericsson, ABB, and IKEA, on the other hand, have chosen a more autonomous and structurally separated incubator model. According to O'Reilly and Tushman (2008), this type of setup is recommended when the objective of the incubator is to pursue radical or exploratory innovation. By creating a distance from the parent company's core processes and decision hierarchies, these incubators can avoid the typical constraints of corporate bureaucracy. As highlighted by several interviewees, this freedom allows for faster decision-making, flexibility, and a broader perspective. This is particularly important when trying to identify new markets or technologies outside the company's current focus. However, only E.ON and Electrolux explicitly state during interviews that they look into technologies outside their current focus. Of all the separated corporate incubators interviewed, it is only Electrolux emphasizes these benefits of autonomy as described in the literature, even though they mention that there are times when more involvement from product lines could be beneficial. The rest of the interviewed corporates focused on the tight connection needed with the corporate to be able to offer anything of value to the startups. They indicate that being separated can sometimes make it harder to access internal resources like infrastructure, data, or specialized knowledge unless explicitly arranged. Still, they see themselves as separate units, but everyone still emphasizes the close collaboration with the different business units to overcome the difficulty with access. On the other hand, that makes the incubator less independent so that it might miss the expected benefits of being separate e.g., being able to focus on more radical innovations (O'Reilly & Tushman, 2008).

The incubator models seen at ABB and IKEA share many similarities with the concept of external ecosystem incubators described by Gutmann (2023). These incubators operate separately from the parent company, often in collaboration with public actors and other corporates, and emphasize open innovation, network-building, and co-creation. This structure enables them to act not only for the benefit of the parent company but also as innovation facilitators within a broader ecosystem.

From an innovation ecosystem perspective described by Aldiere (2022), both ABB and IKEA contribute to a setting where various actors, activities, and relations interact to create innovation. Their role is not limited to internal capability-building, but further extends to activating external partners and coordinating cross-organizational collaboration. For IKEA, this is even seen in the co-ownership with the municipality. This setup can partly be explained by their ambition to build a neutral platform that serves multiple stakeholders. Similarly, ABB's SynerLeap incubator positions itself as a non-centralized actor that connects startups with industrial partners inside and outside of ABB. Both IKEA and ABB are building hubs with connections between multiple actors to collaboratively generate value by utilizing competencies, sharing risks and resources, which is what Poblete et al. (2022) mean by building an innovation ecosystem. This type of incubator is closely connected to open innovation, where value is co-created over organizational boundaries. Both ABB and IKEA do in their incubator take the role of a gatekeeper described in the literature by Colombo & Delmastro (2002), facilitating connections to other parties. This type of incubator's success, therefore, depends on how well they can facilitate access to diverse knowledge and resources, align the interests of multiple stakeholders, and maintain legitimacy in both internal and external arenas.

Most companies regardless of integration level, emphasized the importance of staying connected to the parent company's core. This supports Schuh et al.'s (2017) view that the collaboration level should be matched to the incubator's purpose, and that even standalone models must ensure internal alignment to create value for the parent company. What becomes clear is that there is no one-size-fits-all governance model. Instead, companies seem to continuously adjust their setup based on lessons learned, internal dynamics, and strategic intent. While integrated models offer control and alignment, they risk missing totally new groundbreaking innovations. On the other hand, standalone models offer speed and flexibility, but require deliberate effort to maintain relevance within the corporate context. The governance model of the incubator, whether it is tightly integrated or more independent, needs to reflect the balance between autonomy and alignment that best supports the incubator's intended value creation, but all interviewed companies agree that a high level of alignment is important for success, even if they see themselves as separated units. It is however difficult to draw a clear line between what should be considered an integrated model and what is not based on the interviews. But what stands out is that even the more independent initiatives emphasize the need to coordinate with the parent company's business divisions, in contrast to the literature, where standalone incubators work totally separated from the organization (Gutmann, 2023). In that sense, one could argue that none of the interviewed initiatives are fully separated from the company's core operations.

5.4 Location

The result from the interviewees shows that the location of an incubator is an important part of how companies support and work with startups, but the value of co-location differs in different cases. The theory mentioned that being physically close can create chances for informal learning, fast feedback, and a shared identity (Madaleno et al., 2018). This aligned with Volvo, AstraZeneca, Zapster, and Ericsson, which placed their incubators inside their headquarters. These companies all believe in the benefits of sitting together. Volvo exemplified this by highlighting that small talk at the coffee machine can create value. Though important to discuss is that Volvo notices that startups do not come into the office as much as expected, which means that the real benefit of co-location for them has not been fully tested in practice.

In contrast, AstraZeneca's co-location has shown more successful results. The startups use the office, lab space and collaborate easier with AstraZeneca, which has led to successful innovation projects, faster project timelines, and lower costs. This supports the ideas from Becker and Gassman (2006) that being close can help with using company resources and sharing tacit knowledge. One reason why this works better for AstraZeneca than for Volvo could be that life-science companies are more dependent on lab access, while automotive startups do not need this in the same way. Another reason could be that AstraZeneca has created a better culture for the startups to join the office. However, this shows that different reasons, such as the kind of industry and the startups' needs affect how useful co-location is.

On the other hand, E.ON and IKEA chose to place their startups in separate locations, outside of their main offices. For E.ON, having startups at the head office caused culture clashes, which reduced value instead of increasing it. Moving the startups to an external incubator helped create a better community for learning and collaboration among the startups. This aligns with Schuh et al.'s (2017) theory, which states that being at the headquarters is not always the best option, especially if it doesn't match the startup's working style. Furthermore, this is supported by Kruft (2020), who mentioned that a challenge for corporate incubators is to find a good balance between internal control and external collaboration.

IKEA's case also shows a different goal of the incubator, which affects the location. They are using the incubator to connect with the municipality of Älmhult and aim to create a more innovative community. This choice reflects the idea from Grimaldi and Grandi (2003) that incubator location can signal strategic goals and who the company wants to work with. In this case, IKEA wants to create a broader, more open innovation space that is not solely closed to their own business. Furthermore, similarities could be found between IKEA's approach and an innovation ecosystem strategy. Kohn Rådberg & Löfsten (2022) describe the innovation ecosystem as actors collaborating and focusing on fostering innovative high-tech firms in special areas. This aligns with IKEA's objective of wanting to create something for Älmhult.

ABB, Electrolux, and Zapster highlight another important point that digitalisation has made virtual incubators more common. ABB supports startups from all over the world digitally and Zapster also shifted to remote after the pandemic. A digital incubator reduces the value of informal face-to-face learning but allows for broader global reach. This supports Becker and Gassman's (2006) idea that digital tools can replace some of the need for physical closeness. Further, both Electrolux and Zapster mention that in-person contact is helpful when coming to build strong relationships or to test innovations.

The findings show that the location depends on the goal and objective of the incubator. Theory highlights a lot of benefits with sitting close together, but real-world examples show that the best location depends on factors like company goals, industry needs, startup behaviour, and digital tools. Organizations seem to balance between being physically close for deeper collaboration and remote alternatives for flexibility and access to global talent.

5.5 Equipment

As noted in the literature, incubators typically provide physical resources, administrative support, funding access, and connection to networks (Carayannis & Zedtwitz, 2005; Hansen et al., 2000). However, the results of this study show that corporate incubators put more emphasis on sharing internal knowledge and offering strategic connections than on physical resources. One reason for this could be that organizations today are more used to working digitally and there is a willingness to work from home, which might result in office space not being a high focus anymore. By not focusing too much on physical facilities, there is also no risk for the initiatives to fall into the trap that Carayannis and Zedwitz (2005) describe with decreased effectiveness due to a lack of other support. Furthermore, the study finds that there is sometimes a mismatch between what the incubator believes it offers and what the startups understand it offers, suggesting a need for clearer communication between the two sides.

A common theme across all interviews is the strong focus on knowledge sharing. This supports Becker and Gassman's (2006) argument that corporate incubators offer access to specialized knowledge from within the parent company. All interviewed open innovation initiatives highlighted this as one of their main strengths. For example, IKEA supports startups in areas related to "life at home", while AstraZeneca provides expertise in chemical modelling. This indicates that incubators are not solely offering general business advice but also tailored knowledge based on the corporation's core competence. This knowledge transfer is mostly done through mentors from the parent organization. Furthermore, E.ON and Ericsson also point out that the selection of the right mentors is important, the mentors need to have the right "champion mindset" to make the process work.

Networking and matchmaking are seen as important for success. Almost all incubators describe a structured way to introduce startups to relevant contacts both within and outside the parent company. This aligns with Shih and Aaboen's (2017) theory on the growing importance of networks. IKEA, for example, aims to build an ecosystem involving external actors like banks and universities, while ABB takes a more internal approach by actively guiding startups through the corporate environment. These practices reflect the shift from traditional incubation toward more network-based and partnership-driven models.

Carayannis and Zedwitz (2005) point out that incubators often help with business support and provide professional services, such as accounting, legal advice, etc. However, the study finds that there is a difference between the initiatives in terms of how much support is given for business development. E.ON and Ericsson are active in helping startups shape their business cases. On the other hand, companies like AstraZeneca and IKEA take a step back and believe that others can provide that type of help better. Norrsken even suggests that to learn basic business development, it is enough to watch YouTube.

Furthermore, the result shows that only three out of eight initiatives provide legal help, which suggests that this might not be seen as a top priority. On the other hand, ABB mentions that startups need a lot of support with IP and legal since they usually don't have any experience in these areas. This is supported by Carayannis and Zedtwitz (2005), who point out that legal skills are often missing in the early stage. Furthermore, Zapster highlights that they may want to invest in startups later on, so it is important to handle legal matters properly from the start. The level of legal support needed may also depend on the type of collaboration between the startup and the organization, as well as the industry they operate in.

Carayannis and Zedwitz (2005) also highlight that it is important for initiatives to provide financial support. However, this study finds that none of the initiatives offer direct financial support. Many initiatives are highlighting that funding is very important for the startups success but argue that it is the startups own responsibility to fix it. This is further discussed in the funding chapter.

This study shows that corporate incubator initiatives are strong in knowledge sharing and creating valuable networks, but less focused on general support like office space or business coaching. Important to highlight is that most programs are tailored to the startup's needs. The level of involvement therefore, changes from one collaboration to another. Since the organizations have a lot of support departments, they are often able to offer a lot of different help, which they might not market their initiatives with. This more flexible model might be more effective, but also require that startups know what they need help with and ask for it. Interviews with startups showed that there is sometimes a lack of communication.

5.6 Access to firm's resources

How easily startups can access the parent company's internal resources differ between the interviewed companies. Literature has long emphasized the value of such access for startups in corporate incubators (Grimaldi & Grandi, 2003; Kötting, 2019). The access is often partly dependent on the incubator's governance model and by how tightly the collaboration is intended to be. Some companies promote open sharing of internal capabilities, while others operate with stricter boundaries due to legal, cultural, or strategic concerns.

Volvo Group, Ericsson, and AstraZeneca represent cases where startups accessed a high level of resources. Volvo explicitly stated that startups can "access everything," including labs, office space, and engineers. Due to their access cards, they could also access informal networking spaces, which during interviews, were emphasized as important for startups. This aligns with literature highlighting how informal settings and easy entry points help build relationships (Neck et al., 2004). AstraZeneca also offers equal access to labs for scaleups in their incubator, as long as no formal restrictions apply. Their open-access approach reflects a strong "dare to share" culture, which they work hard to maintain. In order to create this environment where they can share information with them, but also encourage scaleups to share their experience and knowledge, both with AstraZeneca and with other scaleups, they ensure that no admitted scaleups are directly competing with each other or with AstraZeneca. According to Schuh et al., (2017), this kind of openness, like that of Volvo and AstraZeneca, is easier to facilitate when the incubator is physically close to the parent company and can be supported by mechanisms like job rotation or part-time roles that encourage employees to participate in innovation. These types of approaches have not been seen in any of the interviews except for Ericsson and Zapster, which allow colleagues with ideas to rotate to the incubator for six months to test and develop it into a business. Instead of rotations, the others are emphasizing the importance of choosing great mentors to open doors for the startups. As E.ON mentioned, it is important that mentors believe in this way of working so that they will give time and effort to their relationship. That will also help the startup access internal resources at the parent company. This mentor approach to accessing the firm's resources is mentioned by all interviewees except for ABB and AstraZeneca, as an efficient way of making sure the startup gets what it needs.

Miller et al. (1991) however, mention risks associated with high access and involvement by the parent company that should be considered. While leveraging brand reputation and internal processes can benefit startups, too much alignment with existing systems can reduce flexibility. Miller et al. (1991) describe this risk as "hamstringing" the development of the startup, especially when innovation efforts must be closely coordinated with the day-to-day operations of mature business units. None of the interviewed companies mentioned any potential disadvantages of being widely integrated and sharing a lot of the resources. The discrepancies between the literature and the results can indicate that the negative effects of too high access and integration is mainly affecting the startup itself negatively and doesn't bother the parent company, but it could also indicate that the corporate itself often doesn't necessarily see how their own processes and way of working can be negative for themselves. However, if it affects the startups, it will affect all parties negatively.

A common theme across the incubators studied is that many corporate resources are available to startups if they actively ask for them. While certain types of support require formal access, much is potentially within reach, though not automatically offered. This highlights the importance of the startup's own initiative and awareness of what they need, which may suggest that more experienced startups could benefit more from corporate incubators, as they are better equipped to identify and request specific support. This pattern is particularly visible in the cases of IKEA, E.ON, and ABB. IKEA explicitly states that access to resources must be requested by the startup. Similarly, at E.ON, the incubator is located in a separate building, and interaction with the corporate is structured through mentors, which means that startups must coordinate and define their needs in collaboration with their mentor. ABB applies a system where startups are introduced to internal actors who then decide when and how to collaborate, which then requires some initiatives from the startup's side. This flexible model that IKEA, E.ON, and ABB have given teams and mentors freedom to share resources, and thereby the actual degree of access depends on individual decisions and relationships. These cases support Pettersen et al.'s (2015) argument that startups often need to be proactive to fully benefit from the resources available in an incubator.

At IKEA and E.ON, physical separation plays a role as startups are located in separate buildings, and contact with internal teams typically occurs during scheduled meetings. The physical separation automatically gives startups lower access. These setups offer more flexibility, according to Schuh et al., (2017) as this reduces the risk of being locked into corporate routines and can foster exploration. As both the incubator of IKEA and E.ON are set up together with public actors, they probably aim to create value extending over the boundaries of the organization, which then would require less lock-in to the corporate, and explain the decision of being less integrated to the parent company. However, it also raises the risk of missing out on valuable corporate knowledge and resources, especially when the incubator is physically or structurally separated (Gassmann, 2006).

Zapster, in contrast, exemplifies a highly controlled access model, driven by the sensitivity of their technology and fear of industrial espionage. In the early stages of their incubation program, startups could not access anything directly, and every interaction went through Zapster staff under strict NDA protocols. While this ensured protection for both sides, it also created significant barriers to collaboration and required extensive internal coordination. This highlights a key trade-off between control and flexibility, as described in the literature on standalone models (Gutmann, 2023). For Electrolux and ABB, who are also deemed to offer low access to the parent company's resources, this is more of an active choice and can be explained by the nature of their initiative. They are both open to allow access when needed, for them often related to co-development of products, as this is how they work with startups, compared to the others that rather bring startups into their incubator to give them support. This means that when there is a clear plan for how their collaboration should look, they give a lot, but they are not opening up for the startup to just go and "feel like home".

While access to corporate resources is described as a strength of corporate incubators in literature, the actual level of access is shaped by strategic concerns, cultural norms, and internal infrastructure. High-access models, like those at Volvo, Ericson, and AstraZeneca, facilitate strong collaboration and faster progress but require systems for coordination, legal frameworks, and an open culture with a mindset of mutual trust. More controlled models offer protection but may reduce the incubator's ability to deliver full value two-ways.

5.7 Funding

The study shows that most corporate incubators avoid direct investment in startups, despite having a full mandate and strategic influence. This contradicts Kötting (2019), who argues that corporate incubators typically have access to internal funding for strategically relevant startups. It however confirms Kötting (2019) in some way, stating that corporate incubators typically have superior access to funding, even though it can be through external investors. This is seen in some of the cases, such as Volvo, who take responsibility for connecting startups with external investors. As it is rarely used in the form of direct early-stage investments by the corporate, instead, the role of the incubator often centers around facilitating external funding through connections to VCs, public actors, and other external sources which is also described by Aaboen et al. (2018), stating that incubators can reduce the information asymmetry between investors and startup. This is also what many of the interviewees mention in other words when they mean that being connected to the corporate, can give them a "stamp of approval" which can be helpful when raising capital or reaching out to customers. Hausberg & Korreck (2018) however, mention that it is becoming more common for corporate incubators to invest, which is only seen in the case of Zapster in this study's sample. Instead, others are clear that they don't have the intention to invest.

Among the companies studied, ABB and Volvo clearly choose not to invest directly, emphasizing independence and flexibility in the relationship with startups. ABB mentions that there should be "no strings attached" where both parties should avoid locking themselves to each other before strategic alignment is clear. Similarly, Volvo means that investments are a longer time frame perspective than working with these early startups. In these cases, the incubator plays more of a matchmaking role, where it connects startups with others. Supporting startups in this way is commonly seen in the interviews and this support is offered by Electrolux, E.ON, and IKEA as well. Additionally, E.ON and IKEA are neither investing, but they offer support in preparation for raising money via pitch training, which is not seen in the other cases. Across all cases, they help to secure credibility through brand affiliation, speed up the technical development time, and also through commercial validation.

Few corporates in the sample, such as E.ON, Volvo, and IKEA, mentioned occasional investing if there is a strong strategic fit. These decisions tend to be made case-by-case and need more involvement, which makes the process slow and complicated. As the IKEA case illustrates, the intention to act as a neutral ecosystem facilitator can be hindered if the corporate takes equity in the startups, since other ecosystem actors may then hesitate to share resources or collaborate openly. This highlights the trade-off between financial involvement and ecosystem neutrality, which is also discussed by ABB, who highlight the importance of making everyone gain from the ecosystem, it should not center around any specific actors, as that contradicts the entire idea of ecosystems. This is also described in the literature by Poblete et al. (2022), stating that actors in the ecosystem collaboratively generate value by sharing risks and resources, which cannot be achieved without mutual trust for everyone's best interest.

From a theoretical perspective, Aaboen et al. (2018) emphasize that incubators can engage in both general and specific financing support. General activities include network building, education, and sharing funding opportunities, while specific activities are tailored to the individual startup's specific needs and include pitch coaching, application support, and investor matchmaking. The study shows that such activities are common even among incubators that do not invest directly. All cases except for AstraZeneca are supporting in one way or another, which also indicates that it is in the interest of the corporate itself that the startup gets funding even though they seem to believe it can be done more efficiently by other parties. Its importance is highlighted both in the interviews and in the literature by Aaboen et al. (2018). The involvement and funding support offered by nearly all corporate incubators not only show their willingness to support startups in this area but can also explain why startups coming from incubators often are more successful compared to standalone startups in attracting external capital, as described by Aaboen et al. (2018).

The cases of Volvo Group and Zapster illustrate two different responses to the mismatch between the fast pace of startups and the slow, complex nature of corporate investment processes (Clarysse & Bruneel, 2007). Volvo's experience highlights the difficulty of early-stage funding within a traditional corporate VC structure, which tends to favor larger, later-stage investments with clearer return profiles, which is also described by Clarysse and Bryneel (2007). Instead of forcing a fit, Volvo's incubator adopted a "speed dating" approach, aiming to learn from a broad range of startups without entering demanding long-term financial commitments in the incubator. Financial commitments were instead handled separately by other divisions, disconnected from the incubator. In contrast, Zapster initially struggled with similar issues, they saw that collaboration with early-stage startups required a lot of effort and resources, and they noticed that investments and collaboration were as costly for them. This can partly be explained by their view on funding, they deemed it to be as critical that they always provided startups with 10,000 dollars initially, which could be expanded to 100,000 if they deemed the startup valuable. Due to similar effort and resources required, they decided to create a dedicated innovation fund for more strategic and long-term investments. This shift allowed Zapster to maintain ownership and control while aligning funding decisions with corporate strategy, which Hausberg and Korreck (2018) suggest is becoming increasingly common as corporates aim to invest selectively in ventures with high strategic fit. Together, these cases illustrate that while direct investment can enhance control and long-term engagement, many corporates still prefer to separate early-stage exploration from capital commitment, especially when internal investment structures are too rigid to respond at startup speed. The direct investment is also seen at Ericsson. Ericsson's direct investments can be explained by focusing only on internal ideas in their corporate incubator. In that sense, it makes sense that they most of the time want to remain in control over their venture, which then requires them to invest internally.

In conclusion, while few corporate incubators choose to fund startups directly, most play an active role in enabling and accelerating external funding. This support often includes pitch training, validation, network access, and informal mentoring, which are tools that improve startups' chances of reaching the investment-ready stage. The involvement and funding support offered by nearly all corporate incubators not only show their willingness to support startups in this area but can also explain why startups coming from incubators often are more successful compared to standalone startups in attracting external capital, as described by Aaboen et al. (2018).

5.8 Network

The findings confirm that networking is one of the most essential support functions offered by corporate incubators, a view well supported in the literature (Grimaldi & Grandi, 2003; Kötting, 2019). Every interviewed company emphasized that startups cannot succeed in isolation, which means that they need access to relevant knowledge, partners, customers, and capital. However, how incubators organize and enable these networks differs significantly. Some, such as ABB and IKEA, actively build broader innovation ecosystems involving multiple external actors including corporates, public agencies, and universities. This aligns closely with the innovation ecosystem logic described by Aldiere (2022), where value is created not only through internal assets but through co-creation across organizational boundaries. This approach aims to create shared value among many players (Poblete et al., 2022), which interviewees agree requires openness and neutrality, especially if the incubator wants to attract other corporates or public actors into collaboration.

A key advantage of this model lies in the breadth of the network as corporates possess (Neck et al., 2004). As several scholars argue, such as Grimaldi and Grandi (2003), Kötting (2019), and Colombo & Delmastro (2002), corporate incubators can create value by acting as gatekeepers just as ABB and IKEA, facilitating connections to third-party experts, service providers, and investors. In these cases, the incubator's value is not only in internal resources, but in its ability to connect startups with a wide set of partners. In line with Neck et al. (2004) and Hughes et al. (2007), these networks are often informal and built on credibility and relationship-building over time, which the incubator helps sustain. Volvo is also exploring its ability to develop and expand its incubator with this network approach. They clearly see benefits just like IKEA and ABB describe by being part of a larger ecosystem where more corporates and actors interact. They also use the term "having a neutral base" to avoid tension and unwillingness to contribute.

However, this model also comes with challenges, particularly when it comes to coordination and alignment. As Gutmann (2023) points out, external ecosystem incubators can suffer from a disconnect from the parent company, both in terms of resource access and strategic fit. Using more of this network approach also led to more separation from the parent company, which Electrolux raised the risk of making it harder to involve internal product lines and Zapster to secure buy-in from the parent company.

All interviewed corporates also have an internally focused approach, where internal networks are mediated primarily through internal champions or mentors. They differ in how much this is emphasized, where e.g. ABB and AstraZeneca do not allocate a mentor, but at least ABB is still trying to find a match and a collaboration partner within the network. Anyhow, the champions play a key role in connecting startups to the right people inside the organization, aligning with Shih and Aaboen's (2017) view that incubators are often effective at mediating the so-called micro-net, i.e., familiar internal contacts and local actors. In these cases, internal networks become especially important, not just to access resources, but also to guide the startup through complex corporate structures.

However, Shih and Aaboen (2017) also stress that macro-networks, which relate to external commercial partners like customers and investors, are harder for business incubators to access and support directly. However, in the sample of this study, it seems like corporate incubators are quite successful in connecting startups with the macro-network. Some due to their explicit network, but also others, as the people assigned as mentors often take responsibility in this. Corporates have large networks at hand and it is clear from the interviews that when startups are accepted to their incubators, corporates are there to help, which also includes being connected to their contacts. Here, several interviewees emphasized that successful matchmaking depends on the startup's own initiative, validating Pettersen et al. (2015), who argue that the most valuable networks are often the ones built independently by the startup. At the same time, incubators still play a critical role as gatekeepers or facilitators, enabling access to networks that would otherwise be difficult to enter, particularly for early-stage companies (Colombo & Delmastro, 2002).

In summary, while all incubators recognize the value of networks, they vary in how structured, internal, or ecosystem-oriented these networks are. What emerges clearly is that network-building is not just about access, but also about navigation, legitimacy, and trust, dimensions that the corporate incubator can significantly influence. Still, the ultimate value of these networks often depends on the startup's own ability to take initiative and leverage them effectively.

While all the interviewed companies acknowledge the value of networks, the way they structure this varies. Some have built broad ecosystems or partner clusters for startups to take part of, while others primarily are focusing on internal corporate networks. For both cases, the responsibility to give the startups great introductions and knowledge about what they can expect in the network often falls to the assigned mentor or champion. This highlights the critical role mentors play, not only in communicating the opportunities available but also in enabling startups to take advantage of them. As emphasized by E.ON, selecting the right internal mentors is essential to the success of the collaboration. Based on the findings in this study, that statement is strongly supported. Although incubators may vary in how formalized the introduction process is, all share the view that they carry a responsibility to actively guide startups toward the right people, opportunities, and resources within the network.

5.9 Value creation

As Kruft (2020) mentions, in a corporate incubator, there needs to be a valuable exchange between the parent company and the startup. The study found the following values created for the parent organization when having a corporate incubator: improved technology development, trend scouting, enhanced entrepreneurial culture, and branding. Following, each value will be discussed together with the components that seem to affect the value creation the most.

5.9.1 Improved technology development

The interviews show that a common objective for companies to establish corporate incubators is to get access to new technologies they can use. This can be done either by co-development or by shaping startups in a way that makes them excellent suppliers to the corporate in the future. For example, Electrolux wants to find good ideas that already exist. E.ON's goal is to recognize the importance of using ideas from outside the company. Volvo is looking for new suppliers and ABB believes that using external technology ideas helps reduce risks. According to Gonthier and Chrita (2019), the objective of learning or accessing new technologies through an incubator is common as startups are considered more innovative than established firms. Therefore, this collaboration is one potential solution to avoid being disrupted by startups (Gonthier & Chrita, 2019).

The results show that when designing a corporate incubator, some components especially seem to affect the ability for improved technology development. These are the governance model, the location, equipment, access to firm's resources, network and funding.

The choice of governance model plays an important role in how technology development occurs within corporate incubators. As Schuh et al., (2017) points out, the right level of integration depends on the incubator's purpose. Gutmann (2023) and O'Reilly and Tushman (2008) describe that an integrated model is recommended if the intention is to create incremental innovation and build on existing strengths, while separated incubators should be leveraged if the intention is to create radical innovation. This is because the startups should not be too colored by the parent company itself, but instead reduce the structural inertia to increase the chance for improved exploration (March, 1991). The results show that most corporates are interested in incremental innovation, but only AstraZeneca, Zapster, and Volvo are using an integrated model. Instead, a large part of the sample is using a separate model. The reason behind this is to have a large mandate and not be affected too much by the parent company. To ensure relevance for the parent company and still be able to leverage the corporate's resources, they make sure to have close collaboration with the different business units, even though they are separate. This allows them to remain autonomous, flexible, and free from bureaucracy, while still benefiting from the advantages of a more integrated model. O'Reilly and Tushman (2004) however, emphasize that hybrid structures may be necessary to balance strategic alignment and innovation autonomy. The study shows differences in how governance models are implemented in reality compared to how they are described in the literature by Gutmann (2023).

Regardless of the governance model, all companies except for ABB and AstraZeneca rely on a similar method to achieve close collaboration. They do it with the use of mentors. These mentors act as a bridge between the startup and different divisions within the organization. This aligns with Chesbrough's (2003) point on the need for internal champions who can facilitate organizational buy-in for emerging technologies. Some corporates even assign multiple mentors to a single startup. The mentors' role is to facilitate technology development in both directions: by helping the startup access the right support and internal contacts, and by connecting them with relevant teams inside the company that could benefit from the startup's solution. These internal teams can also offer valuable input on how the startup might adapt its technology or product to better align with the corporate's needs. This was strongly reinforced in the interviews, where several participants stressed how crucial it is to assign the right mentors. Startups need a good mentor to get a fair chance to learn from, develop with, or deliver value to the corporate. ABB and IKEA's ecosystem incubators take this even further by building networks beyond the company itself, actively bringing in external technologies and startups. This broader collaboration enables access to innovations that the organization could not have developed alone, which represents an extended version of the separate incubator model. However, even those incubators that are far from integrated tend to deviate from the literature's view of a truly disconnected setup. For example, ABB puts significant effort into identifying internal actors who can partner with the startup. While these actors are not called mentors, as their role is not to guide but to collaborate, the function is similar. IKEA also assigns mentors, despite operating under a more network-oriented model. This may suggest that the more structurally separate an incubator is from the parent company, the more important it becomes to provide internal navigation support as the startup may struggle to access and leverage the corporate's accumulated expertise and capabilities otherwise.

The location of the corporate incubator, whether it is placed close to the parent company or separated could also affect the technology development. AstraZeneca shows an example of how close collaboration helped speed up technology development because startups were based at their headquarters. This made it easier to work together and to test new products. This is supported by Becker and Gassman (2006) who argue that there are a lot of benefits of having proximity to the parent company, as it enhances informal communication, sharing, and tacit knowledge sharing, which is crucial for early-stage innovation and for technology development. In contrast, E.ON found that working too closely with startups sometimes reduced creativity as cultural differences led to tensions, which could slow down development. In addition, Electrolux, ABB, and Zapster point to successful digital collaborations, showing that remote work is now a realistic option. The findings suggest that the ultimate location of the incubator can differ depending on its objective, but for joint technology development, in most cases it is recommended to have the incubator closely located to the parent company to facilitate corporate-startups collaboration. This goes in line with the earlier reasoning on the integration level. The integration can occur in different ways, but it is clear from the sample that most corporates prefer close collaboration for technology development, which is facilitated by proximity (Gassman, 2006). Operating an ecosystem incubator can also be an alternative, as that would enable the startups to access and learn from not only the parent company but also from their partners in the ecosystem. If this is handled successfully, they will get access to even more resources. However, this might still require close collaboration between the actors according to the study to make this exchange valuable. Depending on the industry it operates in, testing abilities and access to resources at the site are more or less needed, and in some cases, it is also possible to develop products together entirely remotely.

The study shows that the most important equipment and support for driving technology development in corporate incubators are access to specialized knowledge and strong networks. While earlier literature (Carayannis and Zedtwitz, 2005) tends to describe incubators' equipment by their physical resources, like office space, the results of this study suggest that corporate incubators today create more value for the startups through tailored expertise and strategic connections, and that few startups value the physical resources as highly. This finding also resonates with the shift described by Colombo and Delmastro (2002), where incubators increasingly act as knowledge brokers rather than infrastructure providers. A potential explanation found is that startups are often part of multiple incubator programs, and even if they are in an early stage, they have already secured office space and places to test their technologies before getting in contact with the corporate incubators. They rather need the corporate's input to understand their customers better to be able to develop thereafter, which is what the corporates themself describe as their key contribution. Specialized knowledge sharing through the mentors was identified as the key resource for helping startups develop their technologies. This access to deep, specialized knowledge, for example, "life at home" products at IKEA or chemical modelling at AstraZeneca, which helps startups build stronger products and technologies that align with real market needs. Networks and matchmaking were also seen as important among the interviewees. Building these strong networks takes many years, and offering structured introductions to internal experts, customers, and external partners could speed up the startup's access to necessary resources and market insights that they could not have reached without support. Test labs were less highlighted by the companies, but depending on business and access to other test labs, it could be very important for technology development (Hughes et al., 2007).

Furthermore, giving the startup access to the firm's resources can enhance joint technology development, as described earlier. Miller et al. (1991) argue that while internal resource sharing can be beneficial, it must be carefully managed to avoid disrupting core operations. While none of the interviewees mention this issue, Zapster describes another issue with offering high access, which is the confidentiality required when working with early-stage startups both ways. Many corporates describe how they work with IP and patents to avoid these confidentiality issues, and AstraZeneca shares their strategy by avoiding competing technologies and areas in their incubator. Moreover, technology development is a costly process requiring a lot of capital. Still, the study showed that no corporates provided funding, as there is a common understanding that if they were to fund the startups, it could become harder for the startups to collaborate with other external partners, as they would be too closely tied to the parent company, and hesitation around their involvement can arise. This is connected to the objective of making the startup's future suppliers, as that in most cases requires the startup to work with multiple customers to be able to achieve scale. With this objective, it is not recommended to offer funding to startups according to the sample. This is consistent with Aaboen et al. (2018), who suggest that the incubator's main contribution to funding may be indirect, by facilitating investor connections and helping startups become investment-ready. In other cases, where the startup is not dependent on having multiple customers, investments can be better suited as a way to tailor the startup's solution in line with the parent company's desires. As mentioned by Zapster, this is not necessarily more expensive than the collaboration itself, but it must be considered according to the strategic objective. As Clarysse and Bruneel (2007) argue, the early phases require a smaller amount of money, which strengthens Zapster's idea that it is not necessarily expensive. On the other hand, due to the small amount, it can also be funded by other sources, and the corporate should consider if this should be one of their core offerings, or if they instead should focus on their key strengths, market and customer insights (Clarysse & Bruneel, 2007).

5.9.2 Trend scouting

Another value created by the corporate incubator is the ability to scout technology trends in the market and to learn from them. Many organizations emphasize the importance of staying updated on the outside world in a rapidly changing environment. O'Reilly & Tushman (2008) further highlighted that it is beneficial for organizations to balance exploration e.g. via trendscouting, with exploitation of core business. The study found that sources of ideas, strategy focus, and location are the most important components to consider to increase the corporate's ability to scout for new technology trends.

If the goal of the incubator is trend scouting, they need to bring in external startups. All the companies bring in external startups except for Ericsson, who instead only focus on internal ideas. By sourcing ideas from startups and other external actors, the organizations are able to connect with new technologies and business models that are often outside their daily operations. This matches Chesbrough's (2003) view of innovation over the organizational boundaries, where companies should not only rely on their own knowledge but also learn from others.

Furthermore, how companies find external startups also matters. The study revealed that all the companies studied use two complementary approaches to trend scout, some use a proactive approach where they go out and search for startups in specific areas, others are reactive where they let startups apply and choose from there (Burgelman, 1983), where both strategies support trend scouting in different ways. Proactive search, like what ABB does with startup challenges, helps focus on strategic areas and find trends that match company goals. Reactive strategies can therefore lead to surprises, bringing in startups that the company might not have thought to look for. According to Burgelman (1983), both methods are useful, but they require different internal skills.

When scouting for trends, the theory suggests organizations can choose to work with startups that operate in their current market or startups in new markets (Schuh et al., 2017). This choice affects not only the types of startups they engage with but also the kinds of trends they are able to discover and act upon. All organizations in the study prefer to work with startups connected to their existing business. Schuh & Vogt (2020) explains that innovations close to the core are easier to absorb and less risky, which makes them more attractive to established firms. Furthermore, Henderson & Clark (1997) highlight that this strategy mainly supports incremental innovation, such as small improvements to what already exists, while radical innovation comes from new technologies and helps companies enter completely new markets. However, by focusing only on their core business, organizations risk missing out on new technologies in unrelated industries. Electrolux and E.ON highlight that working with startups from other sectors can be very valuable, for example, a digital technology used for healthcare can also be applicable in the home appliance sector. By bridging two different sectors, such collaborations can lead to new insights and innovations in previously unexplored areas. On the other hand, the organizations explain that working with startups in familiar areas makes it easier for them to support and improve the startup's products which could result in faster technology development. Scouting within existing markets may increase short-term value but may reduce long-term learning and adaptability. Exploring trends outside the current market can enhance long-term learning, but it may be more challenging to establish successful collaborations with startups that operate beyond the existing market boundaries.

Furthermore, if the incubator is placed separately like IKEA's or E.ON's, it can be beneficial for trend scouting. Sitting together with other startups will help the corporates to see new solutions and talk to entrepreneurs from other locations in the world that they would not meet if they were located in another place. Madaleno et al. (2018) highlight how proximity increases learning between parties, and by placing the incubator in another place, learning from new areas can be attained. This kind of separately located incubator may decrease the learning from the trend, but at the same time help expose the corporate to a wider range of trends, since it allows interaction with many startups from different backgrounds and industries.

5.9.3 Entrepreneurial culture

All the companies recognize that one of the most valuable learnings from the corporate incubator is the cultural change driven by working closely with entrepreneurs from startups. This is also highlighted by Gonthier and Chirita (2019) as one of the most crucial aspects that a corporate incubator can foster as startups can teach corporates to become more fast-feeted, open for new solutions, and agile. The aspiration to get this entrepreneurial mindset is mentioned in many of the interviews as the reason behind the establishment of the incubators. As many interviews highlighted, they need to learn to have a more open and creative mindset and approach. E.ON emphasized that even if they have a lot of knowledge, they cannot do everything themselves, and especially not fast enough. AstraZeneca and Volvo also argue that they learn a lot by observing and working closely with the startups, and just by being close, they unconsciously mimic their way of working. Kruft (2020) argues that an entrepreneurial mindset also comes with enhanced agility and fosters a stronger culture of innovation.

The interviews show that the components increasing the chance of achieving an entrepreneurial culture the most are related to the strategic focus of the incubator, the source of ideas, the government model, the location, and some specific equipment together with the network.

Furthermore, the choice of the strategic focus of a corporate incubator has an impact on how entrepreneurial culture is developed within the parent organization. According to the theory, incubators can either concentrate on innovations closely related to the core business or explore entirely new and unfamiliar areas (Schuh et al., 2017). This choice affects not only what types of startups are supported but also how innovation is perceived and practiced internally. When the incubator's strategic focus is strongly aligned with the company's core business, it becomes easier to involve internal teams and encourage their participation (Schuh et al., 2017). By involving employees, there will be an easier exchange of culture between the organization and the incubator. For example, Volvo and IKEA highlighted that by choosing startups in areas where they already have experience and knowledge, helped them to share knowledge more easily. As a result, entrepreneurial thinking becomes more accepted and integrated into daily work. It also lowers the barrier for employees to get involved, which is important for building an innovation-friendly culture. At the same time, focusing too narrowly on core business areas can limit the development of a broader entrepreneurial mindset. If employees only work with familiar topics, they may miss opportunities to explore new ideas or challenge existing assumptions (Schuh et al., 2017). In contrast, companies like Electrolux and E.ON show that a more open strategic focus can help develop a more exploratory culture. Electrolux collaborates with startups from outside their market, which encourages employees to think beyond their current role and consider new technologies or industries. This mindset reflects a key part of entrepreneurial culture and learning to be open to uncertainty and learning from others, which can be further obtained by working in entirely new areas.

Whether an incubator chooses to bring in external or internal ideas will influence the employees at the corporate with an entrepreneurial mindset in the organization, but in different ways. External ideas will help employees find new solutions, and they will learn from the startups how to work more entrepreneurially. On the other hand, by using internal ideas, employees will be forced to think more creatively and instead create new solutions. Chesbrough (2003) does however, highlight that it is important for companies to bring in external ideas since they can not rely on their own knowledge and need to bring in ideas from others. However, when ideas come from outside, it can be hard to connect them with internal teams unless the incubator has strong communication and support structures. This can affect how much employees feel involved in innovation and result in less influence. Multiple interviewees mention that this is something that needs to be highly considered, as it is common with a "not invented here syndrome" when working with external parties. This is also seen in literature where Laursen and Salter (2005) argue that internal ideas are often easier to align with the company strategy and culture. Compared to others, Ericsson only works with ideas from its own employees. By supporting staff to develop new ideas that do not yet fit into the company's core business, they motivate the employees to think more creatively and gain a more entrepreneurial mindset. The corporate shows their employees that their creativity is valued and that they can help shape the future of the company.

Similar to the reasoning behind governance models for enabling improved technology development, an integrated incubator model, or at least a very close collaboration between the corporate incubator and individual business units, appears beneficial for supporting the development of an entrepreneurial mindset according to the results. As Becker and Gassman (2006) describe, entrepreneurial thinking is a form of tacit knowledge that is more easily shared through frequent and informal interactions, something that is naturally facilitated by tighter organizational integration. This is strongly reflected in the interviews. Several respondents, including those from E.ON and Volvo, emphasized the importance of assigning mentors who not only possess technical expertise and strong networks but also believe in this way of working. According to them, the mentor should have a proactive attitude, be open to new ideas, and actively engage with the startup on a regular basis. When this is the case, the entrepreneurial mindset can be transferred, not only to the mentor but also to their broader team, creating a ripple effect throughout the organization. This resonates with Chesbrough (2003), who underlines the need for internal champions with credibility and influence to support the adoption of new approaches and technologies. For the culture change to occur organization-wide, it is also important that the mentor possesses a large internal network to connect with, to be able to transfer it widely. The majority of the interviewed incubator initiatives apply this bottom-up approach to enable this mindset, allowing knowledge and behaviors to spread organically from close, hands-on collaboration with the startups. This decentralized strategy seems to be an effective way to promote entrepreneurial thinking across the organization without formal structural changes. ABB however, takes an alternative stance. Due to their more neutral and ecosystem-based structure, they do not aim for deep integration with specific business units. Instead, their internal team working with the incubator collects insights and best practices from the startups and passes them upwards to corporate management. From there, these lessons are expected to be disseminated throughout the organization in a top-down manner.

This difference illustrates how governance structure shapes knowledge flows, not only for technical innovation but also for cultural transformation. Whether entrepreneurial thinking is best spread through direct collaboration at the operational level or through leadership-driven initiatives may depend on the company's structure, goals, and internal culture. Still, the findings suggest that tight operational connections, supported by strategically selected mentors, are a key enabler for embedding entrepreneurial behaviors more broadly within the organization.

This governance setup is closely related to where the incubator is located, as the idea behind the integration level is to facilitate cross-functional collaboration. The location will therefore also affect how the incubator affects the ability to enhance the corporate environment's entrepreneurial mindset. For example, Volvo placed their incubator at the corporate headquarters for them to be able to talk to each other and share ideas. This co-location creates more opportunities for employees and startups to meet informally, exchange ideas, and build trust. As Becker and Gassman (2006) note, sharing the same space makes it easier to transfer knowledge, especially the kind that's hard to write down, like intuition or experience. These small, daily interactions can inspire employees and help build a more open and innovative way of thinking inside the company. In these cases, sitting together seems to support a more entrepreneurial culture by making innovation feel closer and more real to employees. On the other hand, E.ON recognized the opposite. They realized that when the startups were located in the corporate environment, they got the opposite effect as they were dominated by the corporate culture and therefore got negative effects as the startups instead adopted a corporate mindset, which made them less agile and slow-feeted. This supports Schuh et al.'s (2017) view that co-location is not always the best choice, especially if it creates tension instead of collaboration. In this case, separating the incubator gave the startups more freedom, but may have limited the chance for internal employees to be influenced by their energy or mindset. However, IKEA's strategy to place the incubator in a separate office to create a local innovation space in the city where they are founded might create a less entrepreneurial mindset for the employees at IKEA. As Grimaldi & Grandi (2003) suggest, the location of an incubator reflects the goals behind it, if the goal is internal culture change, then being close to employees often matters more.

5.9.4 Branding

In addition to supporting internal objectives such as driving innovation and cultural change, several companies in the study also emphasized the value of branding and public awareness of running a corporate incubator. For this value to be created, the network is, according to the study, deemed the most important factor. Both E.ON and IKEA mentioned that their incubators have attracted significant external interest and attention. E.ON described being invited to speak at multiple conferences and fairs to present their approach to working with startups. As startup collaboration through corporate incubators becomes more common (Gonthier & Chirita, 2019), this visibility contributes to positioning the company as a progressive and attractive actor in the innovation space.

To fully realize this branding potential, it is crucial that the incubator is embedded within a strong external network. A visible presence in the ecosystem increases not only the company's exposure but also its perceived relevance and openness to innovation. As the network grows through partnerships with universities, public actors, VCs, other corporates, and business incubators, the incubator's visibility improves further, and with an innovative reputation, a positive feedback loop can be reinforced. A stronger brand draws more interest from startups and external collaborators, which in turn strengthens the incubator's offerings and strategic value for the corporate.

This dynamic was particularly highlighted by IKEA, ABB, and Volvo, who noted that their incubators contributed to raising the company's profile in their respective regions. Several interviewees described how this increased visibility also supports regional innovation ecosystems. For example, by attracting more students and talent, encouraging more companies to support startups, and reinforcing the region as a hub for innovation.

Branding also plays a role in attracting investors. As multiple interviewees noted, startups benefit when large, reputable firms validate them or showcase their collaboration publicly. This helps startups build credibility, gain trust from investors, and accelerate access to customers and capital, further emphasized by Aaboen et al. (2018), who suggest that an incubator can significantly increase a startup's chance of receiving funding.

However, this branding effect is not without risk. If an incubator builds expectations too high and fails to deliver, the reputational effect can backfire. In such cases, early excitement may quickly turn into skepticism, damaging the parent company's credibility rather than enhancing it. Corporate incubators have the potential to generate significant branding value, but only if they are backed by real substance, consistent delivery, and strong external engagement. When designed thoughtfully, they not only support startups and the parent company but can also help strengthen the broader ecosystem they are part of.

5.9.5 Indirect value creation through startup-centric design

A crucial underlying factor for achieving any of the value-creating outcomes discussed in this study, whether related to technology development, cultural change, strategic alignment, or branding, is that the startups themselves thrive within the incubator. If the startups are not sufficiently supported and do not succeed, the corporate will not be able to access new technologies, learn from entrepreneurial behaviors, or develop high-quality suppliers. In other words, value creation for the corporate is contingent on the incubator's ability to meet the startups' needs. However, to understand the startups' needs, it has to be vocalized so the incubator should encourage strong communication to be able to fulfill the startups' needs.

This means that some of the components identified in this study may not generate immediate or direct value for the corporate but are nonetheless critical enablers of value creation in the longer term. Two examples of such components are the equipment and the approach to funding. These elements contribute by creating an environment where startups can grow, connect, and deliver value back to the corporate.

Across the interviews, there is a clear consensus that support and equipment should be tailored to the needs of each individual startup. As described by AstraZeneca and IKEA, the most effective incubators focus on providing access to their core competencies, which are specialized knowledge and insights that startups cannot easily obtain elsewhere. According to multiple of the interviewees, conversely, startups can find business development support in public business incubators or even through online resources such as YouTube, and is therefore nothing that corporates should offer. The corporates see their incubators as complements rather than competitors to each other, but also to other types of incubators. This logic aligns with Colombo and Delmastro's (2002) idea of incubators as knowledge brokers, helping startups access resources that are valuable and unique to the corporate domain.

The same principle applies to funding support. While there are situations where a corporate may benefit from investing in a startup, such as securing exclusivity or strategic control, as AstraZeneca highlights, most companies in the study avoid direct investment. For example, Volvo explained that by avoiding deep financial involvement, they allow other actors to remain engaged in the startup's journey, avoiding the perception that the startup is "already taken." This keeps the external network open and active, which benefits both the startup, the corporate, and the ecosystem as a whole.

According to Clarysse and Bruneel (2007), early-stage startups often require only modest funding, and it is usually available from other sources such as public grants, angel investors, or business incubators. This supports the idea expressed by several interviewees, that corporates should focus on what they do best, such as providing technical expertise, market insights, and product validation, while leaving funding to more specialized partners.

These forms of support should be thoughtfully designed as they will benefit not only the startup, but also indirectly the corporate and the broader innovation ecosystem. As the incubator helps startups grow and become visible, this attracts more talent, investors, and collaborative partners are attracted to the region. Volvo, IKEA, and ABB all emphasized how their incubator activities help promote regional innovation and draw interest from universities, municipalities, and other corporates. In this way, even components that are not directly aimed at benefiting the corporate may ultimately reinforce the firm's strategic position by strengthening the ecosystem it operates within.

Moreover, when more actors observe and adopt this kind of open and collaborative incubator design, a snowball effect can occur, leading to increased openness, resource-sharing, and innovation throughout the ecosystem. This supports Poblete et al.'s (2022) concept of mutual value creation in innovation ecosystems, where actors co-evolve and share complementary capabilities to drive long-term growth. Offering components that are startup-centric is, therefore, not just generous, it is strategically smart.

6. Conclusion & managerial implications

This thesis set out to answer the question: *What components are central when designing a corporate incubator with the purpose of creating value for the corporate?* Through interviews with large Swedish companies and a synthesis of existing literature, the study identified four key areas of direct value creation for the parent company: improved technology development, trend scouting, entrepreneurial culture, and branding. It further showed how these forms of value are linked to specific incubator design components. In addition, the findings highlighted the importance of designing incubators not only for the corporate's immediate interests, but also with a startup-centric approach that enables indirect and long-term value creation.

The study shows that improved technology development is a commonly desired outcome, where companies seek access to new technologies either through co-development or by engaging startups as future suppliers. To support this, governance model, location, equipment, access to resources, and networks all play critical roles. In particular, even when a separate governance structure is chosen, maintaining tight collaboration with internal units, often through mentors, appears crucial to ensuring alignment and enabling mutual learning. Similarly, proximity between the incubator and the corporate is generally seen as beneficial, though some exceptions show that the best setup may depend on cultural compatibility and strategic focus.

Trend scouting is another value emphasized by corporates, where bringing in external startups is seen as essential to staying updated on emerging technologies. Both proactive and reactive approaches to sourcing startups are used and often combined. Furthermore, placing the incubator in external environments or startup hubs appears to foster exposure to broader technological developments, but there also needs to be a structured approach to incorporate the learnings to the organization. Yet most companies focus on startups in their existing markets, which helps with absorbing knowledge and short-term integration, though it may limit more radical or long-term innovation.

When it comes to building entrepreneurial culture, the study found that tight collaboration and informal knowledge exchange are vital. Components such as the governance model, source of ideas, and location directly shape this process. Startups, by nature, embody fast, flexible, and risk-taking mindsets, and corporates gain from interacting with them. Internal mentors who are open to new ways of working and can transfer insights across the organization play a particularly important role. While some firms rely on bottom-up knowledge diffusion, others opt for top-down strategies led by corporate management.

Branding emerged as a complementary but increasingly important benefit of incubators. By being visible in the startup ecosystem and engaging with external actors, companies improve their innovation image and attractiveness as employers or partners. Components like network design and openness to external engagement were shown to reinforce this value. However, the study also notes that branding can backfire if the incubator overpromises and under delivers.

Finally, it was found that some incubator components do not create direct value for the corporate but are nonetheless vital for the startup's success, and thereby for the corporate's long-term return. These are the offered equipment and funding. The key components identified as important for overall incubator success include strategic focus, source of ideas, governance model, location, equipment, access to firm's resources, funding and networks. All these components are important to consider from a managerial perspective when designing a corporate incubator.

All companies in the study chose to collaborate with startups operating in markets related to their own, but the most suitable approach depends on the incubator's goals. Most organizations rely on external ideas to bring in new perspectives and technologies, while those that focus on internal ideas often do so to encourage creativity among employees. Although many companies have adopted a separate governance model for their incubators, they still maintain close collaboration with internal business units to ensure strategic alignment. Most incubators are located within or near the parent company's offices, which supports informal knowledge sharing and close interaction, something that aligns with most organization's preference for close collaboration. However, one case showed that co-location could lead to culture clashes, suggesting that proximity is not always beneficial. The equipment and support provided to startups should be tailored to their specific needs, with knowledge-sharing through mentors emerging as the most valuable resource. Close collaboration also makes access to the corporate's resources easier, and the findings showed that high access facilitates easier collaboration. Finally, while direct funding is not considered necessary from the corporate side, helping startups secure funding is indirectly important, since if startups fail, the corporate cannot benefit from the collaboration either.

In conclusion, no single design component alone guarantees success. Rather, value is created through thoughtful configuration of multiple interrelated components, based on a clear strategic focus. An incubator that supports startups effectively, aligns with corporate goals, and remains well-connected to its external ecosystem is more likely to generate lasting value, both for the corporate and for the broader innovation system in which it operates.

6.1 Further research

Firstly, this study focuses exclusively on Swedish corporate incubator initiatives. Cultural, economic, and institutional differences may influence how incubators are designed and what types of value they are expected to create. For instance, the Swedish context, where incubators are often free of charge and operate in highly collaborative ecosystems, might differ significantly from countries where incubators are more commercially driven or operate in more competitive innovation environments. A comparative, cross-country study could reveal important variations in best practices, particularly regarding strategic alignment, funding models, and collaboration norms.

Secondly, the study highlights the critical role of mentors as intermediaries between startups and the corporate. Mentors frequently act as the bridge that ensures startups can access the right knowledge, resources, and networks within the parent company. Given their central role, future research could take a closer look at individual mentor characteristics, including their motivation, internal influence, and network position, and examine how these factors shape startup outcomes and incubator effectiveness.

Finally, one of the main challenges encountered in this study was defining and measuring the value created by corporate incubators. Much of the perceived value in the study is qualitative, making it difficult to evaluate objectively. There is currently no standardized framework for assessing corporate incubator performance. Future research could focus on developing such measurement tools, incorporating both direct and indirect indicators of success. A robust evaluation model would help corporates better understand the real impact of their incubators and distinguish between perceived and actual value creation.

By addressing these areas, future studies could deepen our understanding of how corporate incubators can be designed and managed more effectively, both to serve the strategic needs of the corporate and to contribute meaningfully to the broader innovation landscape.

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Appendix

Table 1. Interview guide

Interview guide
Objective
Tell us about the corporate incubator. What was its purpose and objective? What was the reason for starting this initiative?
Value
What value did the incubator bring to the parent organization? - Soft values (relation, entrepreneurial mindset) - Evaluate, how? why? How to improve the integration of soft values in the parent organization even further? - Keys to enabling learning from each other?
Equipment
- What was the major value the incubator provided to the startups? - How was the incubator program designed? - What services did you offer? (E.g., office space, mentoring, testbed) - What stakeholders were involved? (E.g.,. VC, business incubators, other corporates) - What processes were in place? - Did you invest in the startups? Or did you support them in finding investors?
Location
Where was the incubator located in relation to the parent organization? - Did the startups work with you, or did they sit somewhere else? (How often were they at yours?) - Why did the parent organization decide to design it that way?
Access to the firm's resources
Are you leveraging the parent organization's resources in the incubator? - How easy was it for startups to access the resources of the parent organization? - Was there a plan behind this?
Funding (asked under equipment)
Network
- What actors did your corporate incubator interact with? - What are the most important actors in the network for startups? - How did you support in connecting them if you did? e.g., email connecting, events

Strategic focus
- What is the parent organization's strategic focus? Are you focusing on startups that do innovation in established markets, new markets, or cross-section markets?
Source of ideas
- Are the startups' internal (an idea made by someone at the parent organization) or external ideas (another person has come up with the idea)? Why? - When you are searching for startups, are they coming to you, or is it someone inside the parent organization who says they need a solution to a problem?
Governance model
How tightly was the incubator integrated into the parent organization? - (More or less autonomous? A separate business unit?) - How much did the incubator decide on its operation by itself? - To whom did you report, etc?

Table 2. The interviewees response to questions related to strategic focus

Company	Citation
Electrolux	- "We want to ensure that nobody can think we know everything because we don't. No matter how many smart people we have, there are other smart people left on earth." - "We also focus on larger collaborations with companies that might not be within our industry, we might have some cross-industry collaboration to either test something, to look into another technology or solution, or just perhaps share knowledge."
E.ON	- "With this whole journey of starting the incubator and change the culture "of dare to ask for external help", resulted in that is was easier to start with business related to the core and not change too much. During the time, we became more and more brave and the organization was more open to new ideas and innovations. In the beginning people needed to see the direct connection and afterwards it got more interesting to think and see in a more long term perspective." - "We had an application process. Sometimes it was very wide, sometimes it was now we onfly focus on electrification. Different batches focused on different things but still related to E.ON"
ABB	- "First of all identify who are relevant for ABB and then create a structured way to bring them into the ABB startup ecosystem. We are validating if they are the right startups for us, whether there is any need for us for those technology areas, and then we also are going through the legal part. We are doing the due diligence and background checks to make sure that there are no surprises or nothing is hidden. Once we bring them in we treat them as partners so there is a lot of review process we go through where senior managers review each of these applications before we decide whom to bring in and whom to decline to ensure that everything is done as per ABB's compliances and policies."

AstraZeneca	- "We only choose scale-ups that have a strategic connection to AstraZeneca, the criteria for a company to be accepted into the hub is that it triggers scientific curiosity within one of our functions" - "We would never bring in a biotech company that is developing a product within the same therapeutic and disease area as we are. That would create a directly competitive situation, and that's not what we're looking for. This way, we can show the companies we onboard that no one else is doing the same thing. By avoiding that, you're prepared and able to share in a completely different way."
Volvo Group	- "The strategic focus of the incubator is aligned with the strategic focus of Volvo. Volvo's focus is 100% fossil free etc. which alot ot startups can work with. After that it is up to different engineering teams to find different strategies, use that strategy as a strategic fit and getting input from strategy teams". - "Someone inside Volvo needs to think the idea is interesting and that it fits the Volvo strategy" - "We choose this strategy to be able to add some value within their expertise. "
Ikea	- "Our focus is things in and outside the home, not only products but also services, life science, sharing economy etc. We will start with something close to our core business, see if it is working and then move on" - "The reason why we have choosed this strategy is that we are very good at things related to the home. We have created criteria together with the municipally and decided that we start here and then we will see what happens."
Zapster	- "We only invest in startups that Zapster Innovation Fund are interested in since they are later investing in the startups. When we had our final startups, we had areas from drone to healthcare to electronics."

Table 3. The interviewees response to questions related to source of ideas

Company	Citation
Electrolux	-"Sometimes we asked employees for something they wanted to learn about and sometimes they let startups come to them to show if they have something that can be of interest."
E.ON	- "The idea was to change the culture, to better keep internal ideas but also recognize that we can't do everything ourselves. We need external partners to keep up in this fast-changing industry." - "But the existing culture had been focused only on low-risk projects, because the priority was to get things right and scalable for high volumes from the start. So, there was a sense that no one listened to people's ideas internally, and there was no proper way to capture them" - "So, it was a mix of things. My role was to talk internally within the organization — to understand what was needed and what we were seeing. But I also wanted startups to bring in ideas we hadn't thought of ourselves. Like, 'Oh, this is interesting, this is something we need.' I didn't want to control things too tightly."

Ericsson	- "The focus was on intrapreneurial ideas, comming from inside Ericsson." - "Every months we had challenges within a special area, working as a motivation for people to came up with ideas about that subject" - "The goal was to in a structural way be able to handle the idees in investing decisions tanken med det här var ju att på ett strukturerat sätt kunna hantera sådana idéer i ett antal investeringsbeslut fram emot en möjlig kommersialisering av projekt som kommer därifrån. The idea behind this was to be able to handle such ideas in a structured way through a number of investment decisions leading up to a possible commercialization of projects that emerge from there. And those ideas can come from anywhere. It might be that someone is in the shower and suddenly has the world's best idea, or it could come from research that has conducted studies on something."
ABB	- "First of all we identify these startups that are relevant for ABB and then create a structured way to bring them into the ABB startup ecosystem" - "We also run a lot of startup challengs for ABB, where employees idenitfy a problem area they want to solve, and then we step in and find startups from around the world who could be relevant for that and we run it like a challenge where the startups work closely with ABB, then we pick a winner that we signs a contract with and develop product together"
AstraZeneca	- "We only pick in external scale-ups"
Volvo Group	- "Right now, we're only working with external ideas, but hopefully within a year, around 30% will come from internal sources as well. The main goal of the incubator is to bring in external expertise. But if we have internal employees with great ideas, it wouldn't make sense to exclude them. At the moment, there's no structured program for internal ideas, they're handled by a different team in another part of the organization. - "In an ideal world, 80% of the ideas would come from inside Volvo, and 20% would come from startups we've identified. Ideally, Volvo employees would be driving ideas like using more AI or finding sustainable materials. When the need comes from within Volvo, we can offer startups easier by connecting them to our internal knowledge and networks. However, only focusing on what we know internally limits us. A big part of the incubator is about learning, if we only work with startups that match what we already know, we miss out. Sometimes, real value comes from connecting to unexpected areas, like learning something new from a marine biologist. So, we shouldn't limit ourselves to one way of thinking."
IKEA	- "Too early in the process to decide how to do"
Zapster	- "We had external and internal ideas, we spin off a bunch of the internal ideas" - "Sometimes a specific business unit came to us and like, look, we're looking for this and this and this. We're looking for a new potential collaboration, a new vendor, or we know a technology going that way. And of course, we are helping them to find potential startups to work with, but we also need to know what's going on out there. We did that by going to events, scout startups and find them."

Table 4. The interviewees response to questions related to governance model

Company	Citation

Electrolux	"We work independently but we are part of the open innovation hub which is a separate function, even if we collaborate closely" "When working more independent they get a higher level perspective when choosing who and what topics to collaborate around, than if working more integrated and with product lines - that could miss the broader perspective" "One struggle is that some projects are stopped because no decision is made whether to develop it in-house or externally. This could perhaps easier be decided if working more closely with product lines than if being more independent" "I think it gives us a lot of space for going out and see what is the proactive opportunity we can bring to the table. At the same time, it gives us a fresher perspective and kind of high-level cross-company, whereas if you were in a certain product line or in a certain organization, you're more or less limited to that perspective. And I think in a unique opportunity of open innovation, having that high-level bird's-eye view and we get to see all the different elements at play and we are able to connect them if needed within the company itself. Personally, I think it gives a benefit and an edge because you are able to see all the different elements and see where you can connect if there is a possibility to."
E.ON	"The accelerator consisted of only me and I had full power to decide about that program" "I talked to people internally what they wanted startups in for kind of areas when startups applied to find something needed, but it was also possible at some times for startups to come within areas we didn't request"
Ericsson	"As project were ideated from intrapreneurs, they had a close connection to the organization due to already established network and could find help everywhere. On the other hand, they were separated as they worked with a new idea that didnt fit into any of the existing business units."
ABB	"Our matchmaking function is a free ecosystem for startups to flow as they want within, it can be with any of ABB's departments or another corporate partner." "People often misunderstand the definition of an ecosystem. The whole thing about it is that there is no central coordinator in charge for everything, it has to be neutral where everyone bring something to the table. This doesn't work if you're very transactional, it's a long time game which should not be a zero-sum game, everyone should win in the long term"
AstraZeneca	"BioVentureHub is part of a function within Astra called the BioVenture Innovation Unit, which formally reports to the CEO of AstraZeneca AB, and is therefore a fully integrated part of AstraZeneca. It is within BioVenture Innovation Unit that decisions are made regarding, for example, which companies are admitted. But they are only admitted if there is support from another function within AstraZeneca that sees the value, typically triggered by curiosity about the scientific basis the company is built upon."
Volvo Group	"One thing I believe is done very good with CampX is that they hit the zone where they are not too far away from Volvo, so we can use all the knowledge, but we are still doing something differently. All our projects go through the innovation committee which are innovation minded people from different departments of Volvo. They have meeting every 2nd week which saves us time, and they are allowed to do projects up to 5MSEK without doing it more official." "The committe is excellent to direct the startup to other departments that could be interesting for them to meet" "They are under the CTO, which wants them to focus on the engineers and solve the engineer's problems" "I see us as rather integrated to Volvo, we could push ourselves slighly more away from it. But I believe this is good because the difficult part is not to set up at project with a startup, but it's difficult to get it to work with the corporate. I believe this is the best way now, but if you would have asked me 3 years ago, I would have said it to be better as more standalone because being to close would hinder us and transmit them with the Volvo way. But now I believe the volvo network, volvo connections, and our way of thinking is important for success"
IKEA	"The project is co-owned with the municipality of Älmhult, we will see how the organization will look later but at the moment we are reporting to the municipality. Anyhow we will set it up organizationally, it will be tightly integrated with IKEA in how we will work together"
Zapster	"we were a separate unit. We reported directly to Tokyo, to the head of our department, who reported to the CEO of Zapster. We collaborated with Zapster Innovation Fund, but even they couldn't stop us. We had full investment authority within our scope. but we had the principle that we only invest if they think there's a potential, because it's good for the startup and for ourselves. But on the paper, the approval process, it was done by us. Nobody could stop us, only our top manager" "The acceleration program decisions were entirely ours. We chose who to accelerate. But when it came to investment, there was a formal approval process, due diligence, and investment committees - all managed within our own organization." "We are neutral, so we can support any business unit across Zapster. Initially, when an internal idea was selected, the employee behind it would be removed from their unit and placed in a separate project team for three to six months. But this caused friction - units didn't want to 'lose' their top talent, so they became reluctant to contribute. That was a key learning, and we changed course. Now, we don't run incubation projects ourselves. Instead, if there is an idea within one business unit, we support them within their own unit. This decentralized model works better in a large conglomerate like Zapster, where each business wants ownership of its own innovations."

Table 5. The interviewees response to questions related to location

Company	Citation
Electrolux	- "We're spread and have several offices globally." - "Remote work is easy, especially with the tools and formats available to us now. But when you talk about testing innovation, it's easier to be physically present sometimes."
E.ON	- "I arranged for us to have office space at Mink. That's where I brought the people from E.ON, instead of placing them at E.ON's own offices. I had done various activities at E.ON before, but the cultural differences made it difficult when the startups were based there. What large companies want is that entrepreneurial mindset and speed. But when the startups had office space at E.ON, the corporate culture tended to dominate, which made it hard for them to adopt the startup culture. This led to frustration, like, 'I've been trying to get a meeting with this person forever, and even now that we're in the same place, it's still difficult.' It worked better when we agreed that those E.ON departments would come to us at Mink." - "E.ON didn't have any test environment either, if they had had a lab or something, maybe it would've worked better, but it was just regular office spaces."
ABB	- "Once we decided to open up outside sweden it did not make sense to have a co-working space" - "We still have startups visitors in our offices and there are face-to-face meetings that we facilitate, but the startups doesn't physically sit in the abb office and work"
AstraZeneca	- "We are offering office space to all our startups" - "A lot of startups are using our spots and one successful examples is a company were we could easy try there tools which resulted in decreased downtime of 40% and money saving"
Volvo Group	- "The incubator and startups have a seat at our office to get easy acces and be able to learn from each other" - "For example, by sitting together , even a small talk at the coffe machine could create value"
IKEA	- "The incubator will be located in the center of Älmhult. It is a house owned by the municipaly that we are going to recreate and make an entrepreneurial spirit. It is also important for us that we do this in the center and give something back to the city and be able to engage in other organizations" - "An advantage of having it seperate to IKEA, is that the spot will be a more natural place, and other organizations might be interested in engaging also" - "The incubator is best located in Älmhult, since there are experts working in this area due to IKEA, that are able to help and foster startups in this market in the best way"

Zapster	- "For the first two batches we offered spots at the Zapster office. Then we went completely digital due to covid." - "We took one part of the office, we prepared for them and invited them every monday and tuesday. The startups participating were very internationally, from all over Europe, Switzerland, Germany, France, Copenhagen and Gothenburg. They flew to Sweden and on Monday we focus on things related to the topic of the week and Tuesday we focus on workshops, introductions to business units, everything we can do physically. The rest of the week they could fly back to their countries were they could continue working." - "I think a big advantage of meeting physically, it's the physical contact that we can have. Rebuilding and building a good relationship and building, but there is a limitation of cost and time." - "When we went virtual, we noticed how easy it was to organize, to get people to talk to us. It also becamce easy for us to introduce the startups to business units all over the world. We still invited them for boot camps and events physically" - "The disadvantage of not meeting, was the human side, we invested in startups that we've never met in person"

Table 6. The interviewees response to questions related to equipment

Company	Citation
Electrolux	"We are helping startups to test their solutions, they are either invited to do it in our sites or send it so that we can test it for them. It depends on the kind of openness we have in cooperation and what might be confidential and not." "We are usually co-developing something or collaborate with startups and thereby provide them with our knowledge" "We share our expertise and provide startups with sponsors. We give them feedback, which usually is of high value, because a lot of them have not yet dealt with such processes and collaborations earlier. They don't necessarily get an opportunity to get such feedback, because it's tailored specifically to this application that we're using. So we share a lot of knowledge and it usually goes hand in hand with everything that we work on."
E.ON	"We provided each startup, internal as external, with a mentor. The purpose was to help them get the right connections, get a better industry knowledge. But it was also for the assigned mentor's team to get to know that startup to develop an aspire from their side to actually work with and conduct tests with them, and to share their experience from working with the startups internally. We used new mentors for each batch to let a larger part of the organization try it" "Mentors are carefully selected from E.ON to ensure interest and a champion mindset. It is very important to pick someone who is interested and believe in this way of working" "At E.ON, we are not working with test-beds, but in the case were startups needed it, E.ON connected startups with other corporates where they could conduct it" "We supported startups with business development, partly done by MINC" "We offered office space at MINC for the startups" "Our main offering is to give them the right contacts. It is not easy to get in touch with the right people to support in getting clients, but we can offer them a lot about the industry which can shorten their technical development time as they to it right from the very beginning. By doing this they can access a larger customer base earlier"
Ericsson	"6-8 months programs where internal ideas got the chance to be developed" "We offer expertise in different areas through our global network of innovation ambassadors. Ambassadors were voluntarily supporting entrepreneurs" "We offer support in business development, and they could get help in shaping a business case as you had a team around you, an assigned coach to always hold the hands of the intrapreneurs. There is a lot of resources required that needs to be there to reach the goal"

ABB	"We are not offering any office spaces as startups are located everywhere around the globe, but startups are coming for specific events" "Our main value proposition is matchmaking and we help startups navigate within ABB and bring them into our ecosystem and guide them to the right connections. We host webinars and give them introduction meetings. We have a very structured way to bring them into the ecosystem by validating if they are the right startup for them and if their technology is interesting. That's where we work very closely with the startups to guide them in how they navigate within ABB whom to connect how to present what to avoid how to validate how to front load certain things where could be the red flags so we kind of are their trusted kind of an advisor I would say within because we know the organization from in" "To connect them we are creating a branding and awareness for them internally so that relevant people know that they are now a part of our ecosystem" "believe that this process saves a lot of time for the startups because without this, on their own they could be spending years completely lost not knowing where to go or in which direction, so this is a way to see ourselves as catalysts in the process" "We identifies a problem area that we want startups to solve something. When we identified a relevant startup, we make a contract to jointly develop a product to go to market with.
AstraZeneca	"We offer office space, testlabs and we share our knowledge" "We are not supporting in business development or any services they can go out and buy easily on the street. On the other hand, we can support in the knowledge regarding how to develop, this is much more difficult for startups to find this knowledge on the street"
Volvo Group	
IKEA	"Our intension is to offer expertise help within our expertise area related to "the life at home" such as material experts, product developers, product experts, IKEA's assortment etc. The logic is to provide what we are the best at and not other functions that others can do equally good or better" "We will offer office space, potentially testlabs, and mentors from IKEA as well as a network with important actors. This is both internally within IKEA, but also with banks, universities, corporates etc, the goal is that other partners will join this "network"" "We expect it to be a 6 month program integrating points to pass and contacts with IKEA, but it will be tailored to the individual needs"
Zapster	"Communication is key so were clear about what the program we had included, it was e.g. we brought in external experts weekly, depending on the theme; like sales, go-to-market, or design to train the startups. We also paid for hands-on support, such as 20 hours with design specialists to improve pitch decks and storytelling for fundraising." "We offered mentors from the incubator, and our job was also to connect startups with people of relevance within the organization, e.g. internal specialists in quality, testing, and development and we facilitated consultant support" "They had physical seats at the Zapster office, with each startup getting desk space for the two-day in-person parts of the program." "We noticed that startups in early phases benefit tremendously from acceleration – structured guidance, validation techniques, and expert coaching helped them move quickly and avoid common mistakes." "For more advanced startups, the value shifted from training to introductions – connecting them with Zapster business units for potential partnerships became the core value." "Helping them succeed, especially in fundraising or partnership-readiness, was beneficial for us as potential investors – we wanted to ensure they were on the right track." "We typically gave them 10-10KEUR early as an angel investors"

Table 7. The interviewees response to questions related to access to firm's resources

Company	Citation
Electrolux	
E.ON	" We offer a lot if the startups want to, they can work tight with their mentor's team but it is up to them. Some collabs between mentors and startups worked better. They should be encouraged to join the mentor's team more frequently." "Startups were located in another building, not connected to E.ON and they came to E.ON only when having a meeting with someone from us"
Ericsson	
ABB	"Our objective is to bring them to our ecosystem and find a match with some party in here and the startup, what they do later is totally up to them"

AstraZeneca	"The people working in these companies all have the same general access to the site as I do as an AstraZeneca employee. The companies conducting lab work have their own labs, but if there are specific analyses they are unable to perform themselves, we can explore whether there is an opportunity for them to have it carried out by a department within AstraZeneca which then depends on available capacity."
Volvo Group	"Our startups can basically access everything. They get an access card an can offer the entire building where they have office space, can test their products in our labs, have workshop spaces, chat with engineers etc"
IKEA	"The idea is that we will have a close connection with startups to be able to share our knowledge, and we will offer them testbeds and similar if they ask for it. But it will have to be requested and they won't get access to our buildings and do as they want"
Zapster	"Startups could not access Zapster's resources directly – everything had to go through us. Our office was highly confidential. Projects had codenames due to industrial espionage, so just bringing startups into the building was a challenge in itself. We had to reinvent the rules internally to allow startups to even enter the premises. That required a lot of internal work." "Corporate-startup collaboration back then was brand new. Startups were afraid of corporations stealing their IP, and companies like Zapster were equally cautious about being accused of that. We had to create very clear boundaries. No Zapster employee was allowed to look at unpatented technology unless there was an NDA in place." "We had to facilitate everything. The startups couldn't access anything without going through us."

Table 8. The interviewees response to questions related to funding

Company	Citation
Electrolux	"We don't work on fundings, but we work with all the institutions such as VCs that have access to startups because we want a wide range of startups when launching e.g. an innovation challenge. So that's our intention with cooperation, we keep the network because we don't fund startups which makes the relationship different and we can still benefit from their solution we work with and vice versa"
E.ON	"E.ON did one investment during the incubator's time and then we talked to other CVC's for co-investments" "We did a few connections between startups and VC's but in general we are focusing on making the startups mature for their first customers, if they are interested in funding they can get support through traditional incubators"
Ericsson	"As it was an internal incubator for internal ideas, we financed it throughout every step of the investment journey" "There was cases when the idea would be better of alone when it was divested, in that case we only kept a minority stake of the business"
ABB	"Synerleap does not invest, it act as a matchmaking service and its up to the separate divisions if they want to invest or not, Synerleap don't have mandates for investment" "Synerleap does not invest, it act as a matchmaking service and its up to the separate divisions if they want to invest or not, Synerleap don't have mandates for investment" "we need to make sure that the startups have a skin in the game and that's the reason why we don't take any equity, because we want to keep it as no strings attached so when they're in, if they're not anymore the right fit here, the best for both of us i that you leave"
AstraZeneca	"We are not investing in these companies, they have to solve their financing themselves. We don't want exclusivity with these once, if we would like to, we would acquire them instead"
Volvo Group	"The main reason why we aren't investing is because investing for us is a slow and heavily governed process. It takes around 6 months because the investment committee need to ask for exploring, then have a permission to invest and this slow process doesn't fit with these very early stage startups we are targeting" "Our investment arm is also a follower, they target the largest global VC firms and they are not investing in startups that would be Swedish Campx startups." "The risk with investing is also that you are then stuck for ~10 years so they have to work more long term and we are then looking for different startups. One can say that we are speed dating 100 startups to learn from each under during 6 months while VC want to merry them which makes the startups different in nature"
IKEA	"We believe that we can invest in some cases, but this won't be the common, but we already have some contacts with investors that hopefully will be part of our neutral ecosystem"

Zapster	"From the beginning we tried to do two types of investments. We thought we could accelerate a lot by giving them 10K euros. And then we can do 100K euros for the ones we'll be adding later" "We realized that whether it's 10K or 100K euros, the internal cost is the same. The internal effort required for legal reviews, due diligence, and compliance processes was equally resource-intensive. This made small-scale investments inefficient. Therefore, we decided to stop running acceleration programs and instead shifted their focus to making larger, more strategic investments through the Zapster Innovation Fund, which manages much larger capital and has established mechanisms for investing in more mature startups.

Table 9. The interviewees response to questions related to network

Company	Citation
Electrolux	"We work with institutions that have access to startups because we need a network, e.g. universities, individual organizations, VCs, governments, Vinnova and RISE... all kind of players"
E.ON	"We use a network approach for example by renting MINC's office space and startups could get support through them with business development. E.ON is not working with testbeds but if our startups would need it, we have connected the startups with other corporates to use their testbeds" "We worked with getting startups mature enough to get customers, which also could be simplified if we did this together with other corporates, so that we together could use the startup as a supplier"
Ericsson	"We work together with potential customers to try solutions and understand needs, such as public agencies" "We have a very competent network within this building when you need support and advice within different areas" "The tripple helix model consisting of us, academia and the public is important connections that we work a lot with" "We also do big projects together with other corporates, to give an example we worked with SKF on a large 5G project before it was commercial, to automize one of their product lines to test the early technology"
ABB	"Likewise we are introducing startups to relevant ABB divisions, we are also connecting them with other industrial partners like Sandvik, Hitatchi Energy, or Microsoft within the large network when we see a relevant opportunity " "If the startups are fundraising we reach out to M&A folks within the division as well as to investors to support them because this is needed for everyone to succeed" "We have a growing ecosystem with industrial partners like ABB, Sandvik, Hitachi Energy, and Microsoft. We actively connect our startups not only within ABB but also with these external partners when relevant, facilitating strategic partnerships or investments." "When working with external organizations, we always have a counterpart—someone who helps us navigate internally and connects us to the right people who can engage with the startup's solution." "We see ourselves as catalysts by creating awareness, hosting matchmaking sessions, and guiding startups to potential collaboration or investment opportunities."
AstraZeneca	"Collaboration with other actors in the ecosystem is critical today, as we live in a fully globalized world. Working together for example with Sahlgrenska University Hospital allows us to achieve greater impact faster." "We are currently part of a mentor network with 16 incubators in Finland. This mean that their startups can ask us anything. This is more of an altruistic purpose" "We want to achieve great knowledge sharing within the hub and also to spread within Astra. But ensuring mutual learning is not a self-playing piano. We try to facilitate it by fostering a culture we call 'dare to share'. We do this by making sure that no startups in here are directly competing. This is crucial for enabling knowledge exchange between startups and with us, which is essential in this kind of network."
Volvo Group	"We work hard to connect them with the right people, both internally and externally. First, we find an internal technical peer, that in turn can connect the startup with further technical peers because we are that decentralized and have experts in all areas. We have experts everywhere so we try to get them into collaborative projects based on the startup's need. We can also connect them with VCs or recruiters if thats what they need." "When the startup is going through the innovation ideas, there are typically people from different departments already there that can be technical peers or know a few that can be from the departments" "But this is no kindergarden, we are not taking their hands leading to present them in the facility, but if they ask for someone or help with something we do what we can to connect them" "We have large networking events every third month which can facilitate network building, but this leads to different conversations than if I connect the startup with someone in a mailthread, where they are kind of forced to have a chat about that specfiic topic. The two types can serve two different purposes"

IKEA	"We are engaging with our external network and hope to involve other specialists and experts. Our aim is to create a neutral space, as we believe this will make it easier for others to join our ecosystem and engage." "We see ourselves more as friends and complements rather than competitors to the incubators that already exist." "We plan to leverage our university connections to find startups and collaborate with other incubators or similar science parks." "Our ambition is for Älmhult to become an even stronger and larger cluster within the themes of life at home, design, and product development. We want to invite other experts and specialists to get involved - which aligns with our broader goal of fostering collaboration. By clearly taking the lead in launching an incubator, we hope to inspire others to do the same, as we believe startups can benefit greatly from learning from our mistakes, experiences, and successes." "Just by sharing our plans, we've already received numerous requests from e.g. companies, universities, and banks, who want to be part of this. Almi Företagspartner and Nyföretagarcentrum will be located in the building, providing close access to their services and networks for the startups." "The most important partner for the startups is undoubtedly access to investors."
Zapster	"Startups came to us for our introductions - they wanted to meet business units, explore potential collaborations, and leverage the strength of our name to open doors. That ability to connect them to the right people was one of the most valuable things we offered." "We arranged meetings between our business units and the startups"

DEPARTMENT OF TECHNOLOGY MANAGEMENT AND ECONOMICS
DIVISION OF ENTREPRENEURSHIP AND STRATEGY
CHALMERS UNIVERSITY OF TECHNOLOGY
Gothenburg, Sweden
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