



Equity-Based Startup Engagement by Mid-Sized Companies

An Exploratory Analysis of Indirect CVC

Author: Phuong Vu Thuy Anh
Supervisor: Prof. Dr. Yannick BAMMENS

Master of Management
Strategy and Innovation Management

01 Introduction

- Mid-sized firms (**€50M–€1B revenue**) are under increasing pressure to innovate, yet they face significant barriers.
- CVC offers a strategic means to foster innovation and enhance competitive advantage, but investing **directly** in startups requires **substantial resources**.

02 Objective

How mid-sized companies overcome **size-related constraints** when setting up equity-based collaborations with startup ventures?

03 Methodology

Analytic induction qualitative research strategy



Provisional model



08 semi-structured interviews



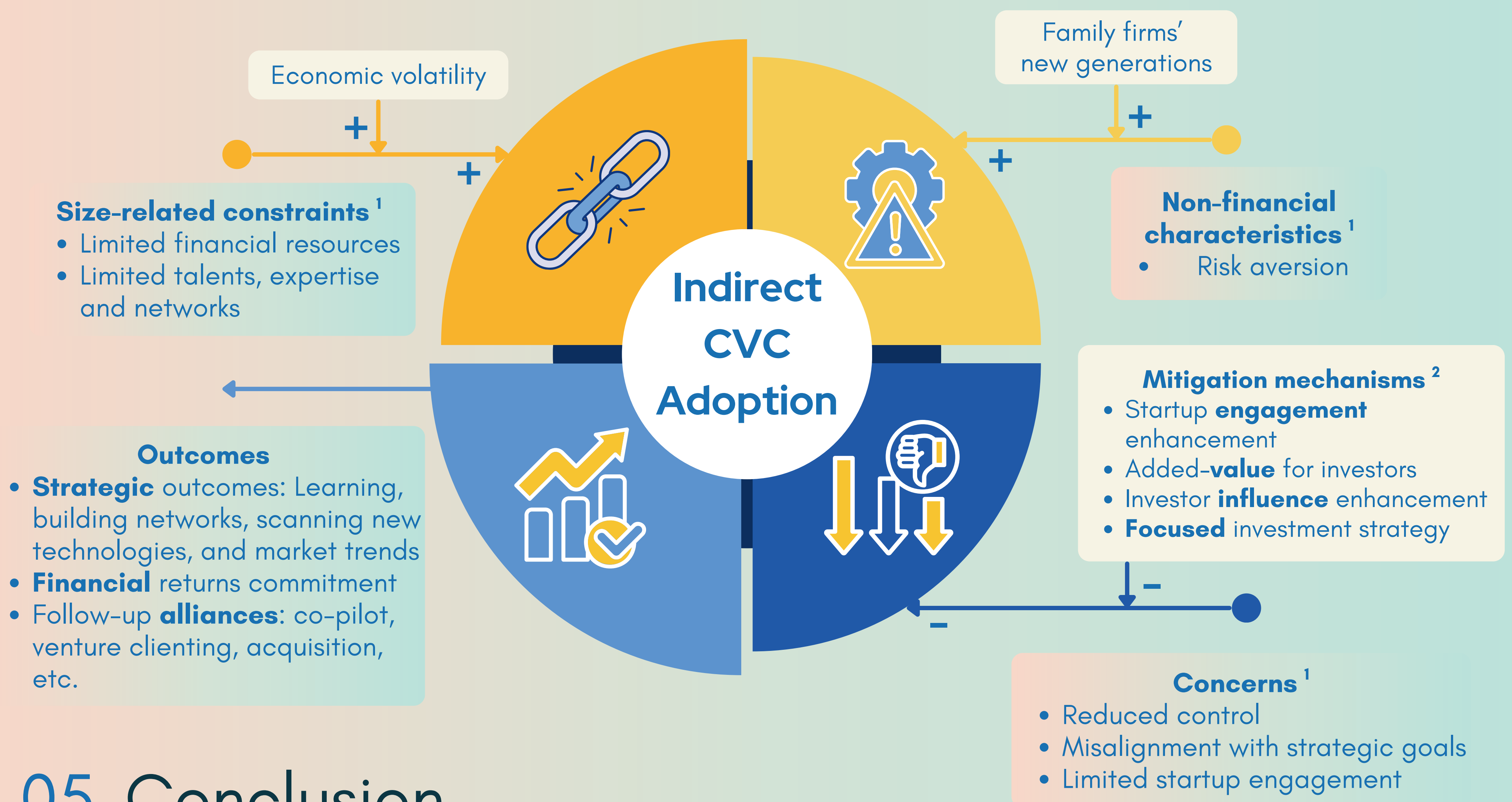
Managers from mid-sized firms, VC experts



Germany, Belgium

04 Results

A refined and enriched model is illustrated as below.



05 Conclusion

Indirect CVC offers mid-sized firms a viable **innovation path**

- It helps overcome size-related constraints and risk aversion.
- Key concerns can be mitigated through targeted mechanisms.
- Most effective when firms' goals align with the outcomes of indirect CVC.

“It's a win-win situation for all parties”