Thinking of doing PoCs with big brands? Let's rethink that...

As a founder, there's a certain allure to landing big brands as early customers. It feels like a major validation that your product has mass appeal. Many founders, myself included, assume the natural path ‘in’ is through a pilot or proof of concept (PoC). Get your foot in, show them how fabulous you are and boom - banging the door down for more, am I right?

Temps de lecture : minute

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Well, no. After working with both startups and corporates for many years, both as a founder and now as an investor at SuperSeed, I've experienced the chest bumps when they say yes, and the doldrums when, after many months, nothing… meaningful… ever… happens.

First off, let's consider the motivations. As a startup, you're eager to get that logo on your website - it lends credibility and opens doors. For the corporate a PoC is often seen as a low-risk way to explore ‘innovation’ without much skin - where they may or may not have a burning need for your solution. One annoying kicker - even if the business desperately does, bunny-hopping from the innovation department into the core business is nigh on impossible. 95% don’t cross the chasm.

Alignment is the challenge to solve. While being hyper-sensitive to the real weight of client pull. If it isn't strong, then the chances of a PoC working, let alone converting to a real fully paid contract are slim to none. I've seen way too many founders pour heart and soul into lovely, but empty corporate cups of tea.

So how do you avoid the trap? First up, don’t call it a PoC or pilot, move away from that naming convention which creates a specific psychological frame. It’s simply an agreement, an engagement, that rolls into a 12 or 36 month contract. For sure negotiate a time-boxed discount if you have to, likewise a get-out-of-jail break clause. But position these as ‘extra’ special offerings that you don’t normally do. Even if they know you’re a startup, the energy in negotiations must be balanced. Bend too far over backwards and value isn’t perceived. Perception is reality.

Qualify the opportunity like you would any other and don’t jump at the size of the name. Feel for that pull. Are they engaged in the sales process? Are user *and* buyer responsive and eager? Do they have a clear use case in mind, or just kicking tyres? If you're not getting strong buy signals at the very beginning, it might be best to explain why it’s not a great match and walk away (If played well, that in itself is a great sales closing pencil sharpener). As a side note, view large organisations as many small businesses wrapped under one banner. What I mean by that is don’t assume one department talks to another; it’s often pretty dysfunctional. Ask the very questions that make you feel uncomfortable.

Next, set clear goals for what you want to get out of the engagement - of course help with theirs, and create the business case but don’t ever fully complete their homework. Use this process to further qualify the opportunity through their engagement. Are they willing to commit to specific success metrics? To a timeline for evaluation and decision making? If the responses are vague or non-committal, that's a red flag.

I always found it useful to acknowledge upfront how things may go sideways, to de-risk and de-weight *that* conversation. Discussing which aspects are inherently experimental vs which are a given often helps and gives clients permission to accept or challenge. Make *them* the hero.

If the project does move forward, you must create and share the energy in the relationship. Agree times for regular check-ins, share progress reports, and keep them engaged. It's easy to drift or get deprioritised on the corporate side. They won’t get fired for not completing something that hasn’t yet been proven as part of the corporate fabric.

A few quickfire thoughts to end with. Should you disclose that you're a startup? My short answer is no, but in the same breath, neither should you hide it. My experience has been that people sometimes need to hear what they need to hear, so I’ve tended to leave that with them.

Should you discount? Positioning using money is sometimes more important than the money itself. Doing something for nothing is almost always a flat no in my books. If you're delivering real value, there should be a value exchange - even if offset or discounted.

My main bugbear with founders is how they undervalue their contribution and place in the corporate’s world. I get it, I really do. But they don’t know what you know, and for sure can’t do what you do.

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