what a venture

3 methods for building sustainable corporate ventures

How to combine business value and impact

Stop talking green, start acting green.

It is common sense that we are on the fast lane towards a climate and humanitarian crisis we have never experienced before. Therefore, we must act. Right now.

Corporates are one of the main levers defining the impact of each industry on the climate balance. This is a challenge that puts high pressure on each company but also provides a chance to take relevant impactful actions.

Nevertheless, how a system and a market can survive is still often linked to profit. An aspect that is not always considered when it comes to sustainability and saving our planet. With this guide, we therefore want to showcase what kind of sustainable measures corporates can take while not needing to dispense on revenues.

Sustainable ventures can be one way to stop only talking green and start acting green. In this guide, we will show you how.

About WhatAVenture

We are a core team of 45+ hands-on entrepreneurs, business developers, growth wizards, and passionate innovators who work together to build the ventures of tomorrow with leading corporates.

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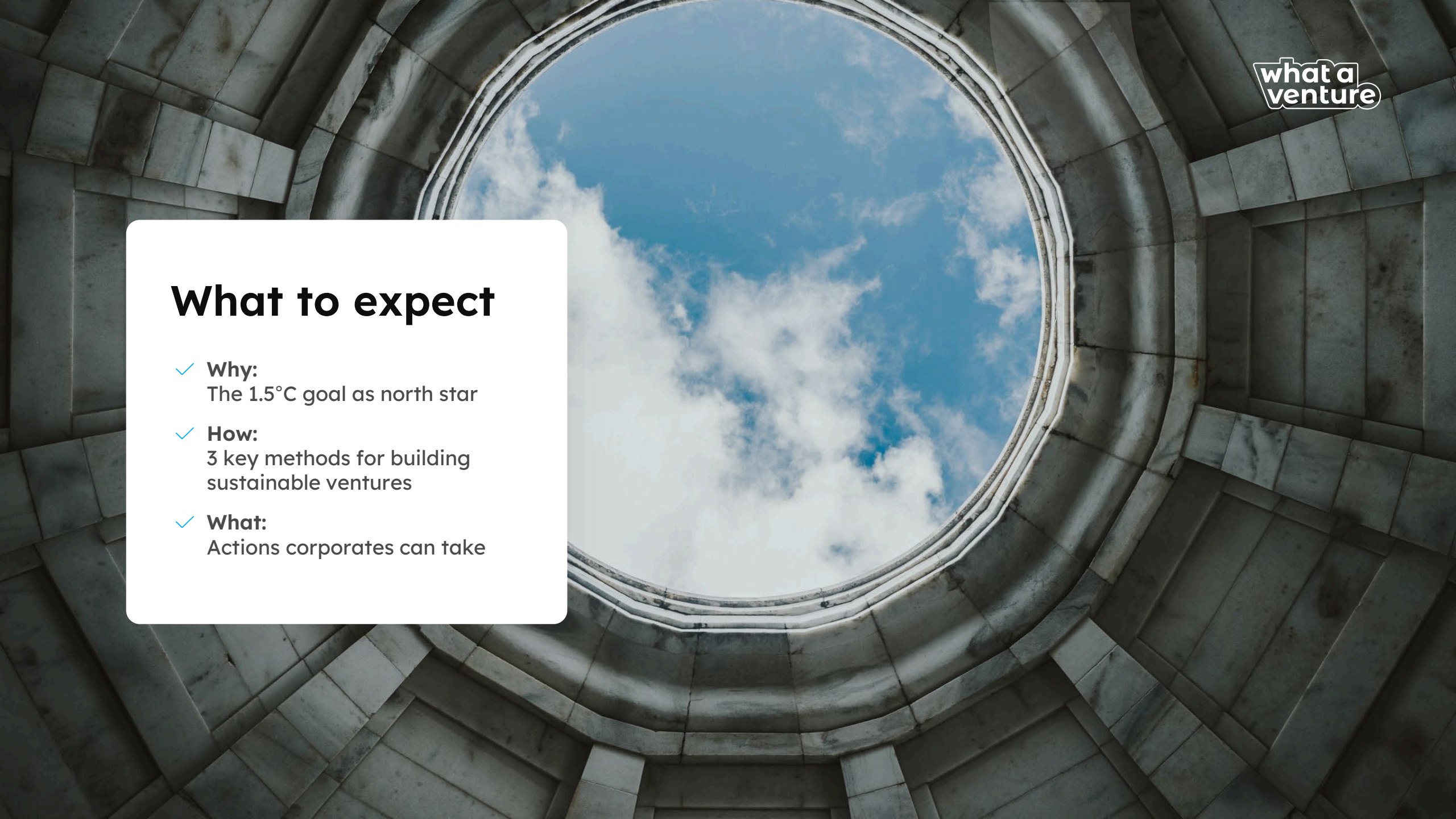


What to expect

- **Why:**
  The 1.5°C goal as north star
- **How:**
  3 key methods for building sustainable ventures
- **What:**
  Actions corporates can take

Why

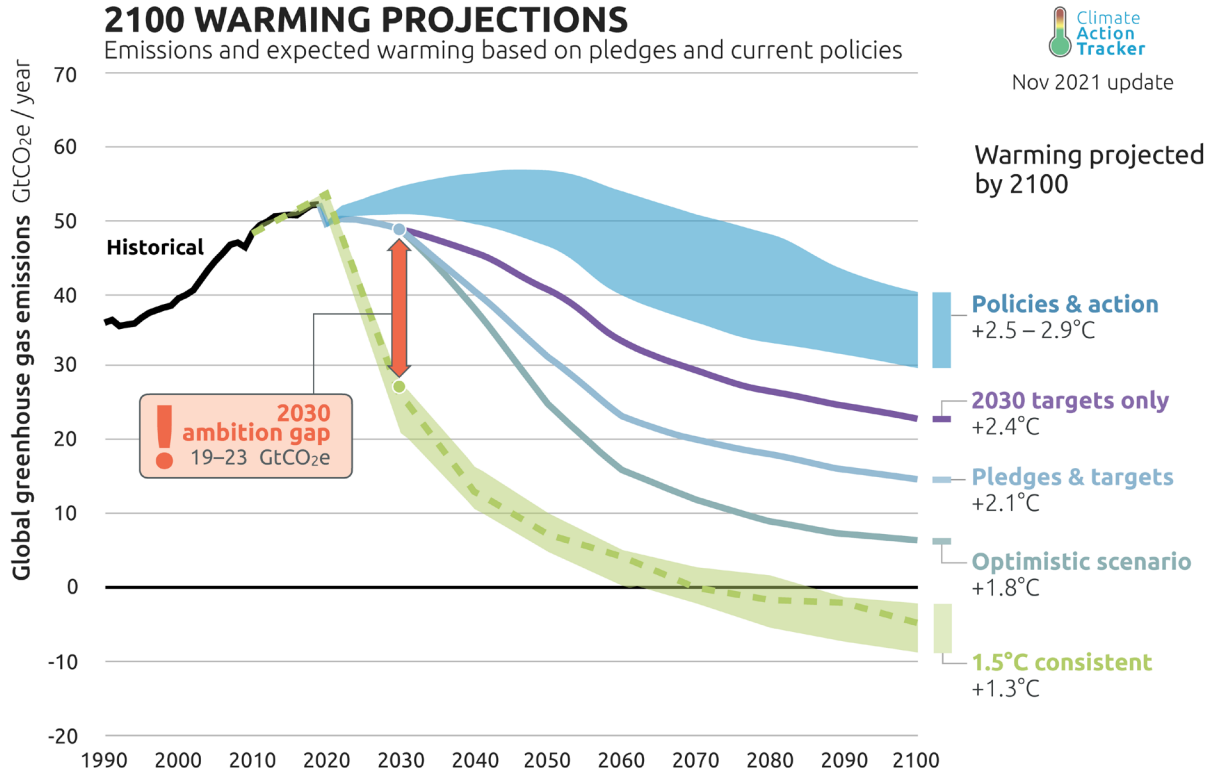
We are all responsible for limiting global warming to around 1.5°C compared to pre-industrial levels.

The current CO_2 reduction measures of industry and politics are far too weak to reach the 1.5°C target

Sadly, the current climate policies and initiatives are far from meeting the Paris Agreement and keeping the earth habitable.

Do we want ourselves and our descendants to be affected by increasingly regular climate disasters?

Of course not. That's why we all need to think twice and make a difference that matters. Here and now.



Climate Action Tracker (2021) *2100 Warming Projections.*

Companies are running out of reasons not to launch sustainable innovations on a larger scale

Concerns
about costs and negative effects

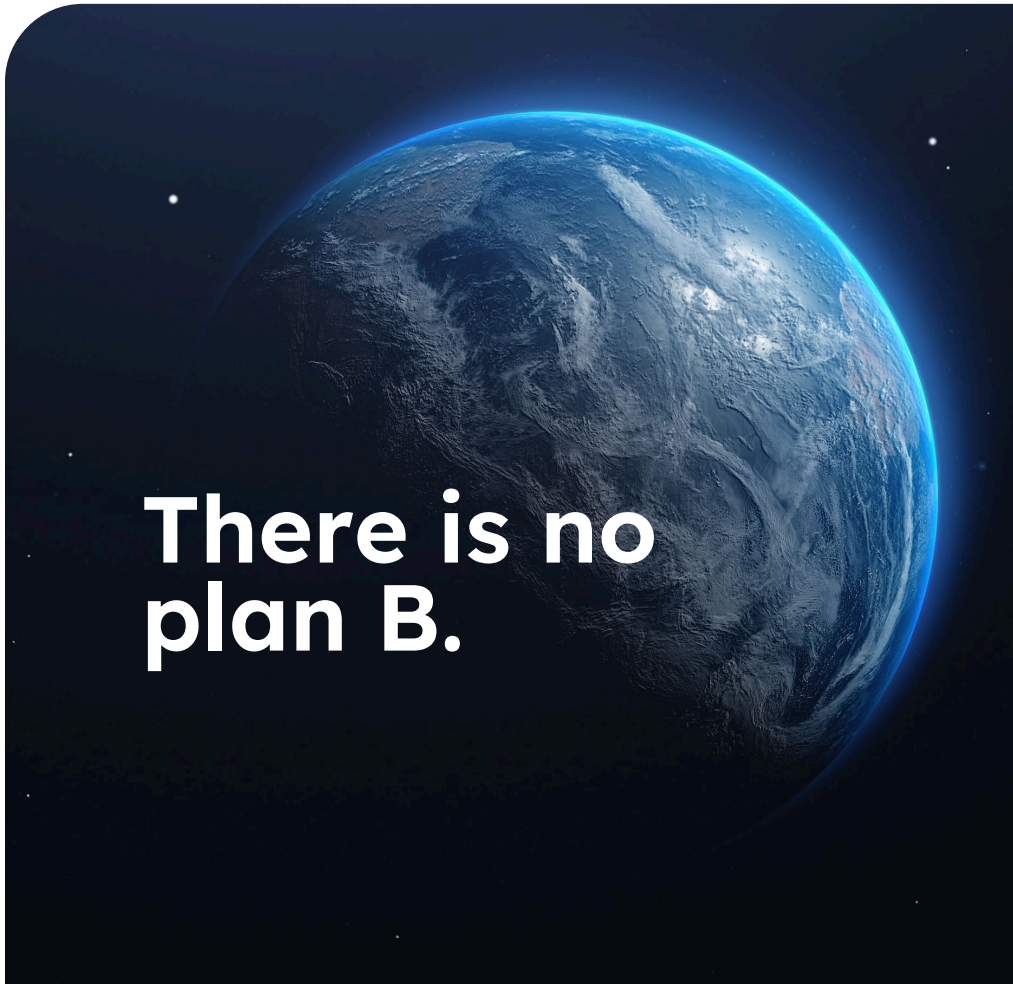
"What if we lose money?"

Ignorance
of the consequences

"Global warming will not be as severe as predicted."

Politics
within the company

"No matter what I do, the management will not accept it."



The good thing: New laws and incentives offer opportunities for companies to rethink their value chain

Legislation

New laws create new chances for innovative players

- EU climate law
- National CO_2 taxes
- Regulatory measures

Green Finance

Investing becomes sustainable and less “greenwashed”

- EU taxonomy
- Sustainable finance disclosure regulation (SFDR)
- Green banks / funds

Green Funding

More funds for a better world, focusing on tech-readiness

- Structural funds
- Thematic funds
- Partner initiatives
- Research programs like “Horizon Europe”

Click to get detailed insights:

European Commission

GREEN TECH CLUSTER

By linking innovation measures to energy milestones, corporates can create accountability and trust

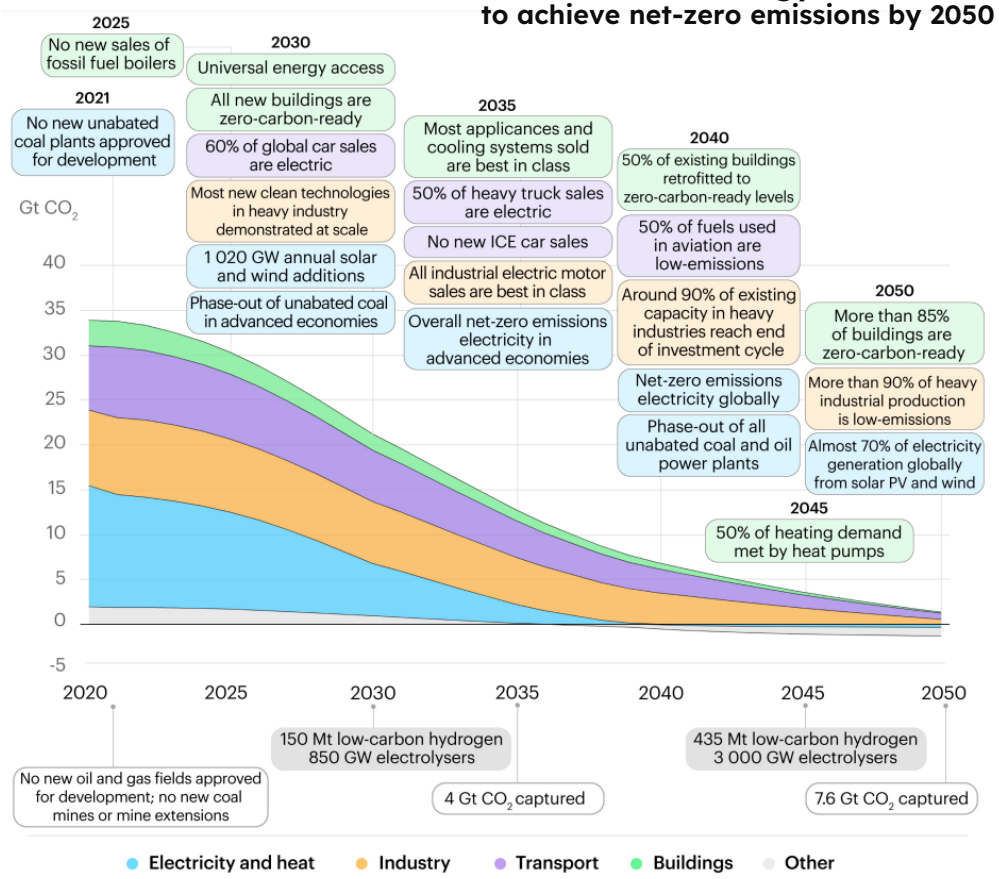
Clear energy milestones must be met to achieve net-zero emissions in time

Frameworks such as the following example from the International Energy Agency show the main goals that sectors like electricity, construction, and transportation should achieve year-on-year.

Refer to higher goals to create trust among all stakeholders

Only through active communication and the pursuit of transparent goals is it possible for all parties to pull together - regardless of whether they are customers or the supervisory board.

Energy milestones
to achieve net-zero emissions by 2050

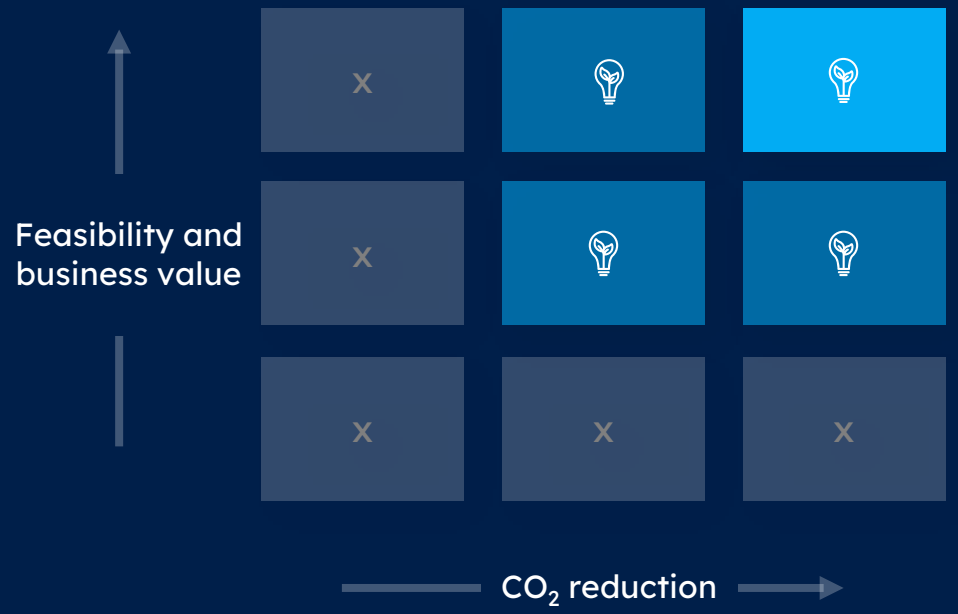


International Energy Agency (2021) *Net zero by 2050.*

what a venture

A switch is needed. Don’t just track ESG metrics but focus on launching projects with real, sustainable impact.

Put decarbonization first and scan opportunities for high impact and feasibility



Three questions to ask yourself

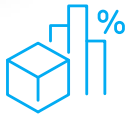
1. How big is the potential CO_2 reduction?
2. Is the technology (almost) mature and the business model viable?
3. Is the market accessible or do I need partners?

How

It’s your turn to build ventures that combine business value and positive environmental impact

Sustainable ventures can use three key methods to create a positive impact and reduce CO_2 emissions

1



Business model innovation

Scout for the generation of new values through shifting the business logic

2

Technological innovation

Enhance your processes or develop radical, new technologies

3

Behavioral change and footprint optimization

Implement green nudges, incentivize sustainable behavior, and create transparency

Sustainable ventures should use at least one of the three elements to successfully make an impact.

If the methods are combined, this impact will be even more powerful.

1 Business model innovation

Innovative business models can make the use of a product much more sustainable and even generate new business value itself. Different approaches like Product as a Service, sharing platforms, or recycling achieve surprisingly good ecological impacts. The results include longer usable products, lower production figures, and less resource consumption.

Product life extension

Smart ventures that establish new marketplaces around sustainable consumption.

refurbed

Product as a Service

Manufacturers rent their products, not sell them, and are responsible for ongoing maintenance.

Enpal.

Sharing platforms

New solutions that enable participants to share underused assets.

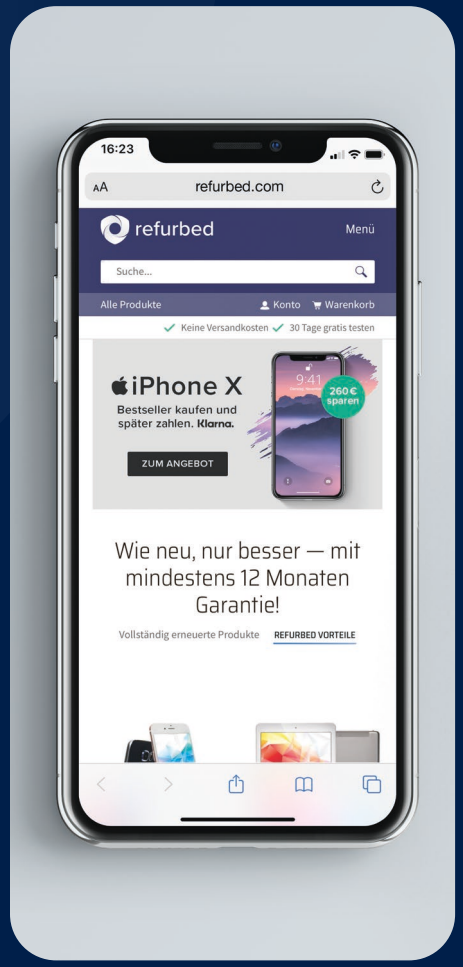
ELOOP

Recycling and circular sourcing

Business models that recover or recycle used resources.

Concular

Use case



“Our customers buy a 100% sustainable device from us.”

Kilian Kaminski, refurbed

refurbed

Product life extension

As good as new, but better: Electronic devices from refurbed

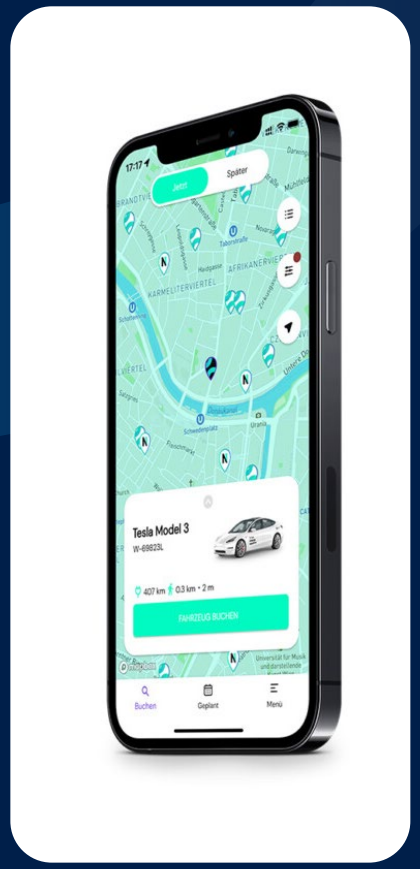
The production of electronic devices takes up vital resources which are becoming increasingly scarce. To solve this problem refurbed, a Viennese startup, refurbishes old smartphones and other electronic devices and sells them on, allowing customers to purchase 100% sustainable products.

Industry
Electronic goods

Drastically reduced CO_2 emissions
compared to buying a new device

Business model
Mediation fee

Use case



“At ELOOP, we place a strong focus on sustainability throughout the company.”

Leroy Hofer, ELOOP

Sharing platform

ELOOP builds an all-electric car-sharing fleet in Vienna and beyond

Car sharing is now part of the everyday lives of millions of people. ELOOP is a startup from Vienna that successfully makes car sharing even more sustainable. By using electric cars, their newly formed business model achieves a direct, measurable saving of CO_2. With digital tokens, Eloop also enables its customers to benefit indirectly from e-mobility.

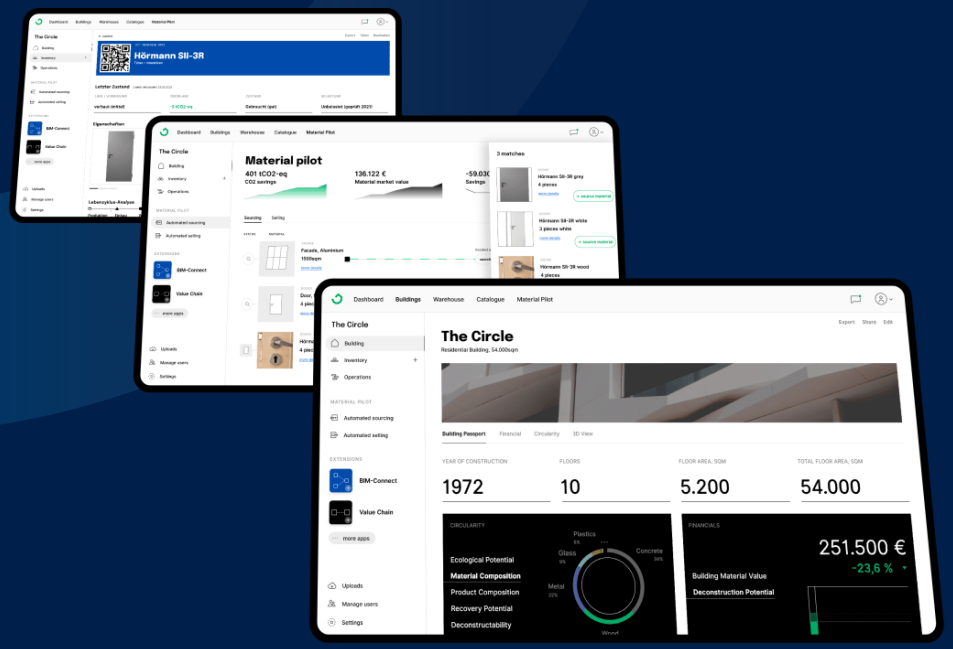
Industry
Car sharing

100 %
Green electricity

Business model
Subscription and pay-per-use

Use case

Concular



Recycling and circular sourcing

Concular digitizes buildings and closes the material loop

Concular is a market leader for material passports and the reintroduction of materials: simple, economical, and ecologically measurable. As an expert in circular construction, the startup handles the collection and assessment of building materials. The services range from creating material passports and mediation to reporting cost-, waste- and CO_2 savings.

Industry
Construction

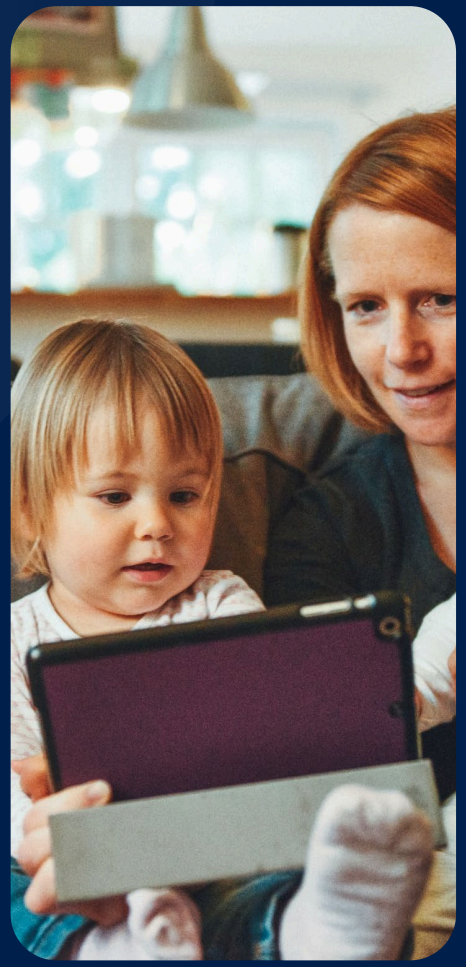
Less CO_2 & waste
through re-used materials

Business model
Service fee

“The construction industry is the biggest environmental polluter. We make it more sustainable.”

Dominik Campanella, Concular

Use case



Product as a service

How Move&Rent brought “rent rather than own” into the furniture market

The furniture industry is a major contributor to material waste. Move&Rent is on a mission to change that. They offer furniture as a service in partnership with Ikea. Their business model increases the lifespan of furniture and reduces waste within the industry.

Industry
Furniture

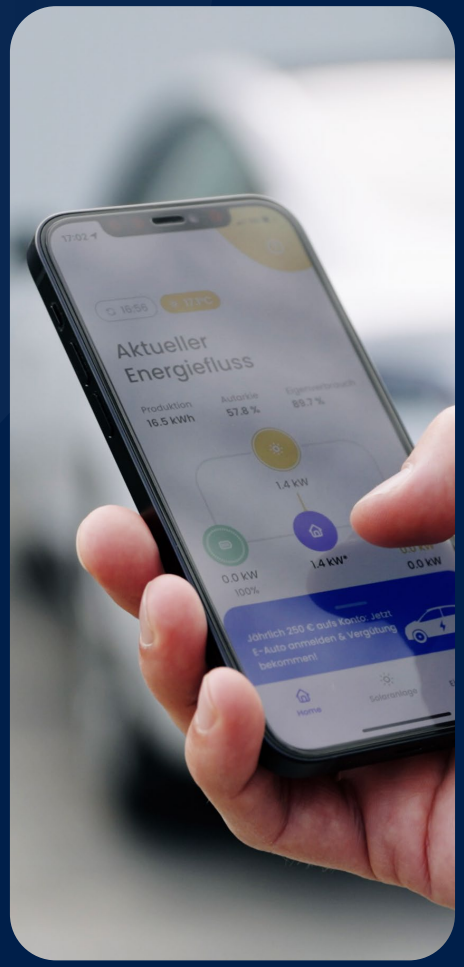
+ 30.000
recycled furniture items since 2012

Business model
Furniture as a service

“We are committed to reducing waste & limiting furniture consumption by giving it a second/third/fourth life.”

Sebastian Monnet, Move&Rent

Use case



“With Enpal, we make all homeowners their own producers of green and cheap energy.”

Mario Kohle, Enpal

Enpal

Product as a service

Making solar power affordable through an as a service model

Residential buildings offer hundreds of thousands of square feet of unused roof space that could be used for PV systems. However, a solar system is not affordable for everyone. Like many other energy providers, Enpal adapted its business model to bring solar energy to the masses via a leasing scheme.

Industry	100%	Business model
Solar energy	Green energy	Leasing rate from customer

2 Technological innovation

Technology is a key enabler of sustainability. Technological innovations have enabled new sustainable products and services but also made existing processes more efficient and products more durable.

Process improvement

Incremental changes for existing solutions.

TRAILAR

Radical technologies

Sustainable substitution of existing processes.

CO_2

Enabler technologies

Major technology standards that pave the way for other innovations.

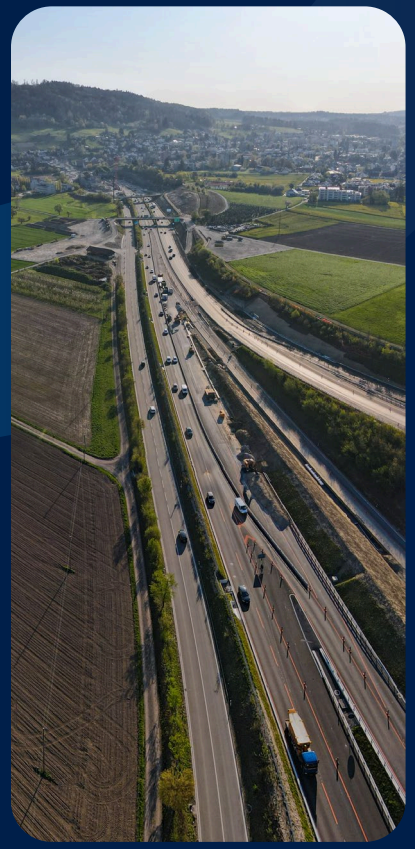
5G

Modular technologies

Saving resources through versatility of use.

FAIRPHONE

Use case



TRAILAR

Process improvement

TRAILAR uses solar panels to reduce fuel consumption

TRAILAR specializes in the use of solar energy for commercial vehicles to save fuel and CO_2. The modern, flexible and lightweight solar mats are mounted on commercial vehicles and generate electrical energy. The generated energy is then used to power the A/C and other loads. In this way, fuel consumption and CO_2 emissions can be significantly reduced.

Industry
Logistics

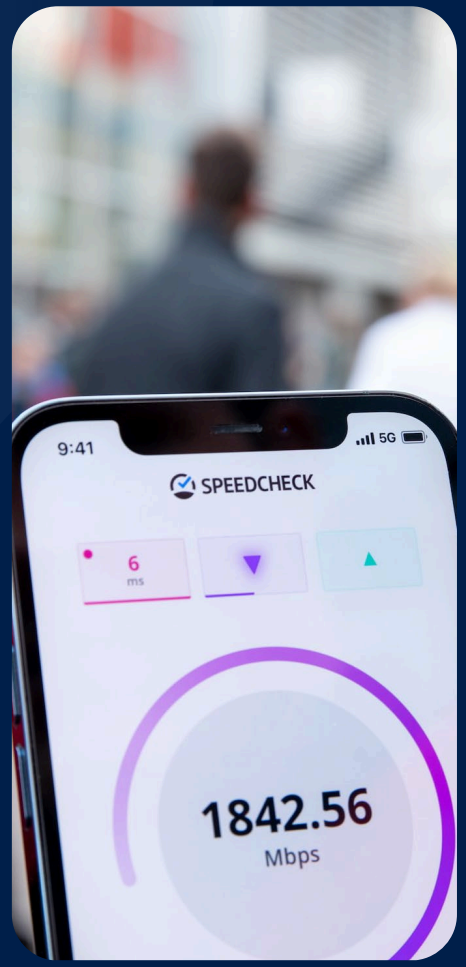
5%
savings of fossil fuels

Value
Fewer operational costs

“TRAILAR offers customers not only an enormous savings potential, but also a better environmental balance.”

Isabel Detzner, TRAILAR

Use case



"I think we actually underestimate the new types of applications we're going to see through 5G."

Börje Ekholm, Ericsson

Enabler technologies

5G as enabler for the Internet of Things

5G, the new generation of mobile communication, is not only characterized by higher energy efficiency and real-time transmission rates but also acts as an enabler technology for different industries. A new level of efficiency can be enabled by transmitting data in real-time and serving high potential for Industry 4.0 and Smart City Concepts. Furthermore, 5G is advancing ongoing efforts to decentralize energy production and build smart grids.

Industry
Telecommunications

Unlocking emission savings
by enabling use cases like the Smart City or Smart Manufacturing

Use case

Radical technologies

Green hydrogen as the climate neutral powerhouse of the future

Green hydrogen has the potential to replace fossil-based energy sources. This radical energy storage and utilization shift will enable heavy emission sectors to drastically transform their environmental impact while only creating water as a byproduct.

Industry
Cross-industry

Net zero
emissions

Value
Substitutes increasingly expensive energy sources

Use case

“After all, there is no long-term sustainability without a sustainable business.”

Eva Gouwens, Fairphone

FAIRPHONE

Modular technologies

How Fairphone uses modular phone parts to improve longevity

Every year 53.6 million tons of electronic waste are produced, a significant percentage of which comes from smartphones. Fairphone has set itself the task of reducing this figure. The startup from Amsterdam develops smartphones that make it possible to easily replace individual hardware components. This extends the product life cycle of smartphones drastically.

Industry
Electronic goods

41%
recycled plastic in each smartphone

Profit
Selling units and future add-ons

3

Behavioral change and footprint optimization

Various tools enable companies to generate consciousness about their carbon footprints, creating the foundation for meaningful change. Furthermore, behavioral design can help shape and influence positive behavior while utilizing basic human traits and the environment we live in. It is based on four simple psychological concepts:

Cognitive capabilities and biases

We have bounded rationalities as human beings and often act irrationally.

Emotional capabilities and preferences

We often base our decisions on our feelings and intuition rather than economical considerations.

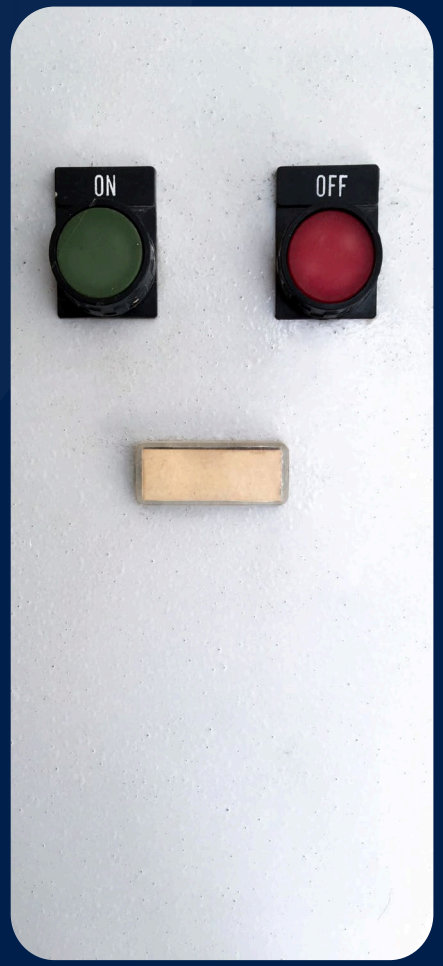
Identity and social norms

Humans are herd animals who want to experience feelings of acceptance, conformity, and belonging.

Willpower and time preferences

People tend to have short time horizons and see only today's consequences rather than acting for the future.

Use case



Nudging

Incentive-compatible energy consumption

In the long term, digitalization in the energy sector will make it possible to offer consumers an incentive-compatible electricity tariff. A dynamic electricity tariff that passes on the purchase price to the consumer in return for a basic fee provides an incentive to consume electricity when it is cheap. And this is the case when there is access to many renewable energies.

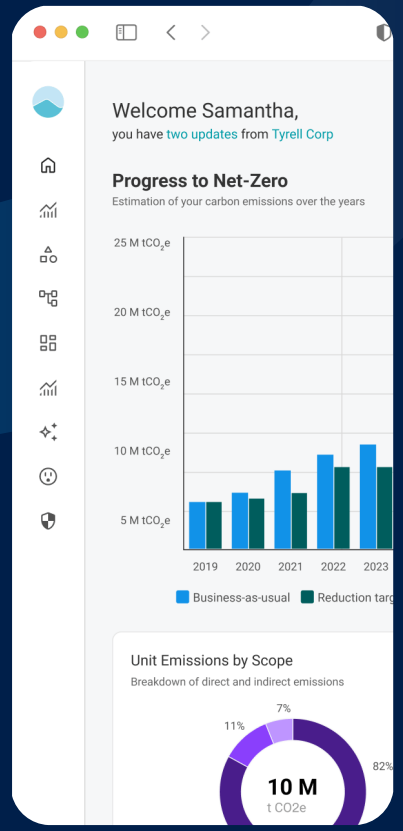
Used by:

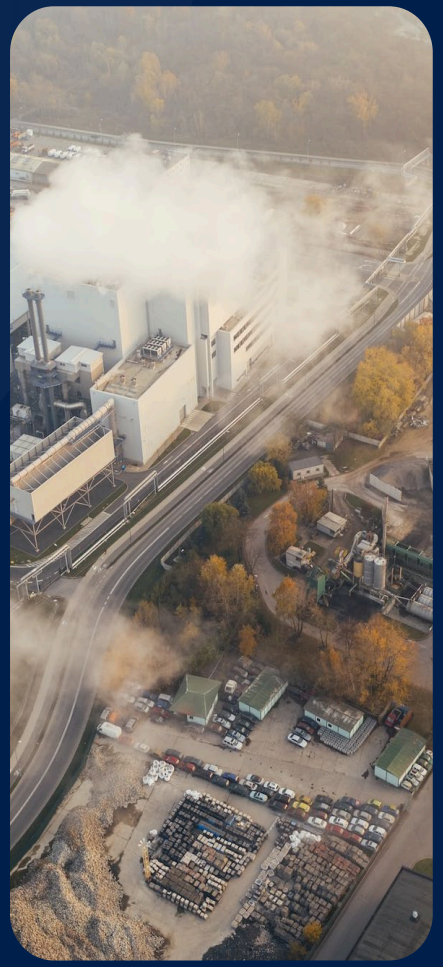
ostrom tibber DISCOVERGY DISCOVER YOUR ENERGY

“Smart meters create strong incentives to consume electricity when there is plenty of green power on offer.”

Marion Nöldgen, Tibber

Use case





"Companies are essential contributors on the road to climate neutrality and must act accordingly now to guarantee a "net-zero based" future."

Christian Heinrich, carbmee

carbmee

Footprint optimization

Carbmee allows companies to generate CO_2 consciousness

Carbmee's Environmental Intelligence System enables corporates with complex supply chains to take control of their environmental impact. Through an AI-powered platform, decision-makers gain visibility over Scope 1, 2, and 3 emissions. Ultimately, this allows enterprises to take real action and focus on the most important CO_2 hotspots.

Re-shaping industries
such as manufacturing, logistics and automotive

Carbon management software
to create transparency and enable impactful, coordinated action

A brief glimpse into a behavioral design process

1

Preparation

Before developing and implementing a nudge, the corresponding decision process, the decision journey, should be analyzed in detail.

2

Exploring the target group and their behavior

- ✓ Observations
- ✓ Interviews
- ✓ Tests etc.

...which follow a scientific structure.

3

Analysis of motives, preferences and behavior

Identify the factors (pain points and bottlenecks) that could stand in the way of the desired target behavior.

4

Design and prioritization of behavioral levers

Knowing the heuristics and combining them with the identified results makes it possible to design behavioral nudges and prioritize them using specific models.

5

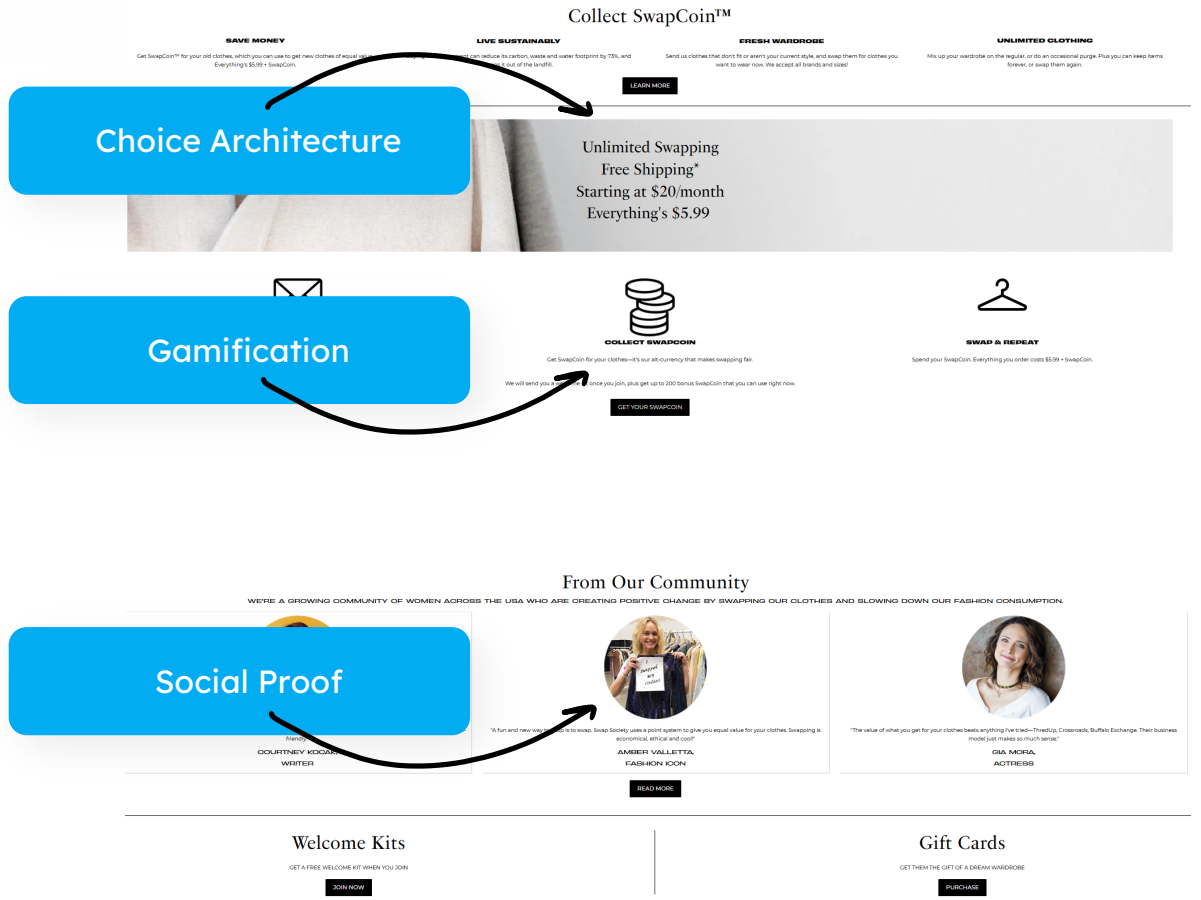
Experiments and measurements

Outcome Evaluation vs. Process Evaluation: both whether a nudge produces the desired results and whether the underlying mechanisms meet expectations should be examined.

Little elements can tweak users and lead to a certain behavior

Swap Society is an excellent example of how users can be led to a certain behavior using little psychological elements and tweaks. Below are three examples:

- **Choice architecture:** We are lazy and most often stick with the default.
- **Gamification:** Games, fun, prices – Who doesn't like that?
- **Social proof:** We are herd animals and tend to do what the majority does – to feel comfortable and validated in our behavior.



In a nutshell:

We are all responsible for limiting global warming to around 1.5°C. By taking this task seriously early on, organizations and their decision-makers have the chance to jump into the driver's seat of change as well as benefit from the opportunities it can bring.

It's your turn to build ventures that combine business value and positive environmental impact. Screen your business and industry for innovation potential through business models, technologies, and behavioral and policy change triggers.

What

will be your next move?

Start acting green, with a sustainable venture.

In this guide you have seen why, how and in what ways sustainable venture building can be a path to a better future.

While you were reading this, ~ 2.100 tons of CO_2 were emitted into the environment. So, let's stop talking green and start acting - by building up ventures for a way to zero emissions.

Ready to create a better world?

Get in touch

The examples in this guide are a mix of projects we had the chance to personally work on and external projects that have been selected for demonstrative purpose only. As companies and startups constantly evolve, the descriptions are limited to observer insights and publicly available information as of October 2022.