Cross border intermediaries that contribute to inclusive innovation

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Inclusive and frugal innovation

- Inclusive & frugal innovation often focuses on low-tech and developing countries
- Links to concepts such as ‘Bottom of the Pyramid’ thinking
Examples
Lots of recent academic and policy attention
Facilitating inclusive innovation and inclusive business has become a key objective for several organizations.
Methods

- Desk research: long list of 228 cross border intermediary organisations
- Created a short list of 53 organisations based on 6 criteria:
  - The use of the search terms on the website signified that these concepts are core to the organization and its purpose
  - The home base of the organization is either in Europe or the United States, to allow focus on the North/South relationship of cross border partnerships
  - The organization actively engages with supporting the global North/South relationship
  - The organization is involved in multiple projects related to the search terms used
  - The organization is permanent or has a long term existence (not a project or a program)
  - The organization is a legal entity
- Invitation for online survey and expert interviews to 53 organisations, N: 25 survey and 23 people interviewed
(1) Is your intermediary a private actor/organization, a public actor/organization or something else? How do you categorize it?

Judicial entity
- 44% foundations
- 24% private entities
- 12% research institutes
- 20% other

- Categorization is based on judicial entity registered
- Social enterprise is a category but is in practice difficult to find as in many countries this judicial entity doesn’t exist.
(2) What does the intermediary do that you consider to be intermediation? Why do you think that is intermediation rather than something else (e.g. input/service provision, general facilitation ...)?
**Between who does your intermediary act?**

- **Individual entrepreneurs**
- **Small company in developing economies**
- **Small company in industrialized economies**
- **Medium sized company in developing economies**
- **Medium sized company in industrialized economies**
- **Multinational enterprises**
- **Other**

**Different purposes**

- To reduce poverty: 18 mentions
- To improve the market access of companies in low income markets: 17 mentions
- To improve the performance of alliances and/or networks of firms: 13 mentions
- To improve the skills of individual entrepreneurs, and small and medium sized companies: 4 mentions
- To stimulate innovation among companies or entrepreneurs in low income markets: 16 mentions
- To forge peer networks between companies or entrepreneurs in low income markets: 18 mentions
- To improve the opportunities for innovation within the context of a...: 16 mentions
- To display knowledge and information to relevant stakeholders: 18 mentions
- To contribute to the design of research strategies: 14 mentions
- To develop lobby and advocacy strategies to influence policies: 4 mentions
- Other: 4 mentions
In what phase of the innovation or transition process is your intermediary involved (e.g. early phase vs late phase, development vs diffusion etc.)?

- Vast majority provides support in early stage of partnership development and innovation (problem setting and direction setting)
- Product and services adaptation of high end market solutions to low end users
- Innovation happens mainly in the business model (quality/low cost, alliances to support market access but also to improve the inclusive innovation system

Cross border inclusive innovation intermediary

Convener
- Identify areas for PPPs and create urgency
- Identify important stakeholders and resources
- Initiate stakeholder dialogues
- Connect partners
  - Provide legitimacy
  - Ensure top management support
- Connect with other organizations, partnerships, and programs
- Connect with other actors to prepare the exit
- Help scale up approaches

Mediator
- Moderate stakeholder discussions and mediate in joint problem diagnosis
- Mediate between different interests
  - Help craft a shared vision, build relationships and trust
- Mediate in conflict situations
  - Manage departures and arrivals
  - Motivate to keep momentum
- Motivate adaptations

Learning catalyst
- Research and expertise on the development issue
- Help partners understand the problem
- Prepare partners (e.g., training)
  - Feasibility study, best practices, and experience for the PPP design
- Best practices and tools for PPP management
  - Bring in experience to solve problems
  - Help build local capacity
- Monitor and evaluate
  - Research for how to scale up
  - Benchmarking
  - Best practices for the exit strategy

Entry Point (in time)
Proactive approach
Responsive approach

(Stadler and Prost 2012)
At what level does the intermediation take place – project level vs. system level?

- All intermediaries analysed intermediate at project level with individual companies or groups of companies. Most services relate to market analysis, network building, getting embedded locally.

- Some also intermediate at system level, e.g. developing assessment tools to stimulate graduation of SMEs towards capital market (tool for wide use)

- The system is in this case the Inclusive “business/innovation ecosystem”: the enabling environment defined by capital market, knowledge available, rules and regulations, technology, competition, market etc.

(Gradl and Jenkins 2011)