AXIOVEST WHITEPAPER · COMPANIES EDITION

Beyond the Demo

How the Circle of Life turns pilot projects into scalable industry partnerships.

A strategic whitepaper from axiovest for industry companies and decision makers who want to turn innovation access into solid, scalable partnerships.

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Why This Whitepaper Exists for Companies

This whitepaper is written for industry companies and the decision makers who decide on innovation access, pilot projects, and strategic partnerships with young companies. It corrects a widespread assumption, that more pilot projects automatically lead to more usable innovation. The data show the opposite. Most pilot projects never reach a productive phase, regardless of how many a company launches.

For axiovest, this insight is the starting point for a different sequence. Rather than running as many demonstrations and pilot conversations as possible, axiovest places structured validation at the beginning, a clearly defined proof of concept with a measurable outcome focus, before a partnership is even discussed.

This document operates on two levels. The first is analytical, it organizes current, verified data on pilot projects, proofs of concept, and corporate innovation into a coherent picture. The second is strategic, it shows how the Circle of Life turns individual demonstrations into scalable, repeatable partnerships.

> *Anyone who reads this whitepaper closely will see that innovation success is not decided by the number of pilot projects launched, but by the structure with which a single pilot is run.*

A Pilot Is Not Proof, It Is a Test

Industry companies invest substantial resources in innovation programs, pilot projects, and collaboration with young companies. 72 percent of large companies in Europe have already run collaboration projects with startups. Yet the conversion of this activity into actual, productive partnerships remains structurally weak.

Over 50 percent of all proof of concept projects fail before reaching a productive phase. In a survey by Sapphire Ventures for the CIO Innovation Index, 78 percent of IT leaders at Global 2000 companies report that less than half of their proof of concept projects ever make it into production. Recent Gartner research on generative AI shows a similar pattern, roughly half of the projects studied are discontinued after the pilot phase.

The problem shows up most clearly in Europe's innovation program, the EIC Corporate Partnership Programme. Of more than 1,500 documented encounters between startups and industry companies, only 92 led to a confirmed business deal, a conversion rate of 6 percent, alongside a 92 percent satisfaction rate among participants with the format itself. The format convinces. Conversion into actual business relationships remains rare nonetheless.

> 50%
of all proof of concept projects fail before reaching a productive phase

78%
of IT leaders at Global 2000 companies see less than half of their PoCs reach production

6%
conversion rate from startup corporate encounters to a confirmed business deal, EIC 2025

Sources: Sapphire Ventures, CIO Innovation Index. Gartner, research on generative AI project discontinuation, 2025/2026. European Innovation Council, EIC Corporate Partnership Programme Report 2025.

01

The Mindset Error That Slows Companies Down

Many innovation leaders implicitly assume that launching more pilot projects increases the odds of finding the next relevant innovation. More demo days, more accelerator partnerships, more parallel pilots, that feels like more innovation power. Only 21 percent of organizations consistently meet their innovation goals, a clear sign that the number of initiatives is not the decisive variable.

This mindset error has an understandable source. A full innovation program feels like progress, it is visible, easy to communicate, and fills innovation reports. Structured pre-qualification of a single pilot, by contrast, is invisible groundwork that rarely appears on an innovation roadmap. Teams under pressure to show activity therefore often reach for the signal that is fastest to show, more pilots launched, instead of the signal that actually holds up, a single, cleanly structured proof of concept with a clear success criterion.

Research on formal innovation processes provides the counter proof. Companies that work with a structured stage gate approach achieve a 2.5 times higher launch success rate than companies without such a process. It is not the number of attempts that decides, it is the discipline with which a single attempt is structured.

COMPANY PERSPECTIVE

The question is never how many pilot projects a company can run at once. The question is how clearly the success criterion of a single pilot is defined before it begins.

The consequence for every company is concrete. The measure of innovation power is not the number of running pilot projects, but the share that starts with a documented, measurable outcome criterion. Activity without structure is not progress, it is committed capacity without return.

02

Why a Successful Pilot Does Not Prove a Partnership

The opposite illusion is just as powerful. A technically successful demo day or a positively reviewed pilot does not yet prove that it will become a solid, scalable partnership. The EIC figures show this gap clearly, 92 percent satisfaction with the format, but only 6 percent actual business deals. A pilot can be technically convincing and still never make it into a procurement budget, an integration roadmap, or a multi year contract.

The reason rarely lies in the technology itself. It lies in the fact that pilot projects often start without a clearly defined commercial outcome criterion. A proof of concept that shows something works technically does not automatically answer the question of whether it fits into existing processes, procurement logic, and budget cycles. This exact gap explains why 78 percent of IT leaders at Global 2000 companies report that less than half of their pilot projects ever reach production.

This is exactly where the axiovest argument gains force. A pilot run from the outset with a documented, commercial outcome criterion generates evidence that actually leads to a decision, regardless of whether that decision is positive or negative. A pilot without this criterion generates, at best, a technical impression that lands in the innovation report and ends there.

COMPANY PERSPECTIVE

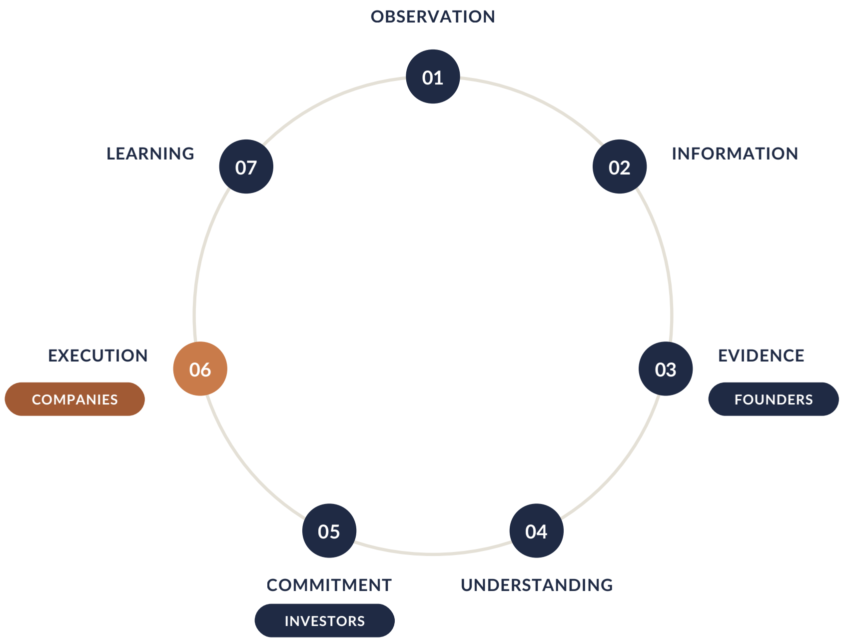
A successful demo day and a scalable partnership are two different states. The transition between them comes from an outcome criterion defined before the pilot, not after it.

The practical consequence, neither technical enthusiasm nor a friendly closing report is the real signal. The real signal is whether the pilot met, or clearly missed, a previously defined commercial criterion. Both outcomes are valuable. Ambiguity is not.

03

The Circle of Life From a Company's Perspective

The Circle of Life is the operating model of axiovest, seven phases of judgment arranged in a coordinated loop. For industry companies, the Execution phase matters most, the point where validated evidence is converted into actual market access, procurement, and scaling.



Copper marks the phase primarily owned by companies, Execution. Navy marks the phases where founders build evidence and investors commit capital.

Observation, Information, and Evidence sit with founders. Understanding and Commitment lead to the investors' capital decision. Only after that does the company enter the Execution phase, where validated innovation becomes actual market access and scaling. Learning closes the loop.

The most common mistake is starting a pilot directly in the Execution phase, without Evidence first being established through a clear outcome criterion, precisely the cause of the 6 percent conversion rate from the executive summary.

04

What Actually Changes for Companies

The preceding chapters describe why a shift in pilot logic is necessary. This chapter translates it into concrete behavior.

Previous Behavior	Behavior in the Circle of Life
Launching as many pilot projects as possible in parallel	**Prioritizing one pilot with a clear outcome criterion**
Treating demo days as proof of innovation	**Requiring a documented PoC with a commercial criterion**
Measuring success by technical enthusiasm	**Measuring success by whether the predefined criterion is met**
Sourcing startups broadly through open formats	**Engaging curated, pre-validated partners through axiovest**
Launching pilots without an integration plan	**Considering procurement and integration from the start**

Each of these shifts follows the same logic. Not more pilots, but better structured pilots. Not as many demonstrations as possible, but a clear criterion that actually decides a partnership.

> **Company Perspective** *The shift is rarely a question of willingness to innovate. It is a question of how early an outcome criterion is built into the pilot.*

05

Why axiovest Is the Right Partner

axiovest takes on exactly the structuring work innovation teams cannot additionally carry alongside daily business, identifying relevant, pre-validated partners, curating introductions, structuring validation with a clear outcome criterion, and advancing toward a solid partnership. Four steps carry this system.

01

Identification

Identifying founders with a validated offering, matched to the company's concrete innovation needs.

02

Curated Introduction

No open demo day, no mass format. Every introduction is bilateral, confidential, and strategically grounded.

03

Structured Validation

Guiding the PoC with a predefined, commercial outcome criterion and a clear timeline.

04

Advancement

A met criterion leads to an integration or procurement decision, aligned with the company's processes.

The effect of this sequence shows up in conversion quality, not in the number of conversations held. axiovest accompanies the pilot from first identification through to the integration decision, not as a one time introduction, but as an ongoing partnership.

COMPANY PERSPECTIVE

axiovest does not replace procurement logic or internal approval processes. axiovest ensures that a pilot starts already carrying the proof those processes actually require.

CLOSING PERSPECTIVE

Companies rarely fail because of weak technology.

They fail because a pilot begins without a clear outcome criterion and can therefore never be brought to an unambiguous conclusion. That is the strategic opening axiovest creates for industry companies. In an environment that overrates demo days and underrates structured criteria, the Circle of Life offers the clearer path from pilot project to scalable partnership.

Not Just Innovation.
Investable Growth.

Bring your innovation needs into the Circle of Life. Pilots become partnerships.
www.axiovest.com · contact@axiovest.com

Sources, Copyright and Imprint

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> *A company that starts a pilot only with a clear outcome criterion replaces chance with system, and that is exactly the difference between a demonstration and a partnership.*