

How to Drive Strategic Value and Innovation through Corporate Venture Capital



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As the corporate venture arm of JetBlue Airways, JetBlue Technology Ventures (JTV) drives innovation by making strategic investments in startups at the intersection of technology and travel, and then helps the startups scale and go to market. In a [previous post](#), we gave an overview of how to be successful Corporate Venture Capital (CVC) investors. In this post, we'll share how we connect JetBlue with the startup community to drive strategic value. By creating structure, establishing executive buy in, and project managing these engagements, we're able to provide an additional source of innovation for JetBlue beyond the airline's already innovative internal programs.

Filling a need

Since our inception, JTV has evaluated close to 3000 start-ups for investment. One of our many criteria for investment is to determine if the startup meets an immediate need at JetBlue. We work closely with JetBlue leaders both through the airline's annual strategic planning process and also through dedicated engagements with individual workgroups, examples include: "The Future of Customer Support," "The Future of Loyalty" and the "Future of Corporate Learning".

Finding the right fit

Once we begin an engagement, we cast a wide net to find 80–100 startups that fit within the engagement's theme. Then over the next six weeks, we collaborate with a working team from the JetBlue department, using thoughtful analysis and interviews, to whittle down the list to six to eight startups that the working team and JTV think are going to be transformative in this space who will then come in to pitch to JetBlue's leaders, executives and stakeholders.

Measured Innovation

It's important that the department leaders agree that this is not just about identifying relevant startups, but it's also about having a fresh outlook. The point of the engagement is for them to learn about the "Future of..." their space. That said, some engagements do end in two or more proof of concepts (POCs), which then might lead to a full integration with JetBlue, and perhaps an investment from JTV. This is a win-win-win for JetBlue, JTV and the startups. Two examples of past engagements include The Future of Learning and The Future of Customer support. Let's take a look at the process and outcome of each:

- ***The Future of Learning:*** JetBlue University is a dedicated educational campus in Orlando, Florida where every new hire goes for training and orientation, whether a pilot or an accountant. It is also where 10,000+ crewmembers receive annual recurrent training. The impetus for our engagement with the JetBlue University team was planned expansion of the campus. Before we built out new classrooms, Rachel McCarthy, SVP of Learning and Talent at JetBlue came to JTV to gain insights into how technology is evolving how people learn. After going through the engagement process, we landed with five different startups across the Augmented and Virtual Reality, Artificial Intelligence, Analytics and Learning Management Spaces. The team ended up executing POCs with two startups, [STRIVR](#) and [Amplifire](#).
- ***The Future of Customer Support:*** JetBlue's Customer Support teams are based in Salt Lake City, UT, and Orlando, FL and they remotely provide support to our 40 million customers every year via calls and emails. However, customer communication is evolving (including text, web chat, social media, etc.), and JetBlue was seeking new technology to meet the needs of our evolving customer base. This is why Frankie Littleford, VP of Customer Support, came to JTV asking for help building the "Future of the Contact Center". After thorough engagement, covering 88 startups, the Customer Support team found startup [Gladly](#) to be the transformative partner they were seeking. Learn more about our partnership [here](#). JTV also made a strategic investment in Gladly, making this a true win-win-win.

As the corporate venture arm of a Fortune 500 company, a big part of our role is to keep the organization as nimble as possible—whether it

be through adding value through our investments or bringing in innovative startups that different workgroups may not otherwise have access to. We always keep in mind that JetBlue itself is a startup—we disrupted the commercial aviation space in 1999 when we took our first flight out of JFK and brought humanity back to air travel. At JTV, it's important that we continuously support and celebrate that entrepreneurial spirit within our parent company by supporting the teams and ideas that make JetBlue such an exceptional company.

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