



УДК 658.1

STARTUP-INCUBATORS VS BUSINESS-ACCELERATORS

Student V. Sakharna, gr. MgFM-16

Scientific advisor prof. I.O. Tarasenko

Kyiv National University of Technologies and Design

The relevance of the theme: the topic of startups is discussed and explored not only by scientists, but also investors, entrepreneurs and directly themselves startups that have achieved significant success and can share some experience on this question.

The object of the research is start-up accelerators and incubators. Startups, which need help in financing and implementing a project often face a difficult choice. Where to go - to the incubator or accelerator? Despite the fact that, in fact, both organizations help in the end to open a new business for a newcomer, they have different means to achieve this goal.

The subject of the research is the competition between accelerators and incubators.

Purpose of the study:

- to justify advantages of accelerators and incubators;
- to figure out the conditions for successful development of startups;
- to explore the competition between accelerators and incubators.

In Ukraine there are over 20 business-accelerators and incubators, the most powerful of which are business accelerators scope of IT technologies: EastLabs (established in 2012), iHUB (2013), Happy Farm (2012) GrowthUp (2010) WannaBiz (2012), Voomy IT-park (2013) and Polyteco (2013), Startup Depot(2014), Carrot (2014), IT-Launchpad (2013) [4].

The main difference between a business incubator and an accelerator is that the first provides an infrastructure or a place where a startup team will generate its ideas and create by developing a business plan. And the accelerator first of all evaluates the prospects and value of the project for the market [1, p.247]. That is, you should already deal with the finished project there.

The incubator is aimed at setting up a business. It can be only one person with the idea, he can apply to the company, meet the close-minded people who will help to understand if the idea is good.

The accelerator immediately tested the idea and the product / service for survivability. But it is necessary to come there with existing team. The main thing is, the accelerator will help to enter the market with a new product concept, to get confirmation from potential customers about its need and value [4].

Incubators provide, in their majority, consulting services and help to present the project to investor. Sometimes they ensure future entrepreneurs with office, financial and technical resources, organize educational events. In some cases, they also offer a small investment. Incubators, which focused exclusively on consulting usually do not impose strict rules for project selection. Their clients may be every entrepreneur or team with the idea and the desire to implement it.

As for accelerators, they work individually on a project that passed a competition, attracting financial resources, experts and experienced mentors. Their main task is to create an investment-attractive product collectively with entrepreneurs for a limited period of time. Often these projects eventually receive funding from venture funds operating directly with this accelerator. Membership in such a program, getting an office and initial financing are more difficult, as in this case ideas and projects are selected more meticulously, and their investment potential is estimated accurately. In accelerators there are usually invited high-tech projects, budding a serious growth [2].

To get under the wing of a business incubator or accelerator, first of all, you need to have an interesting idea. The company «Gust and Fundacity» in its study Global Accelerator Report 2015 [3] asked startup incubators, which areas they are interested in (Fig.1).

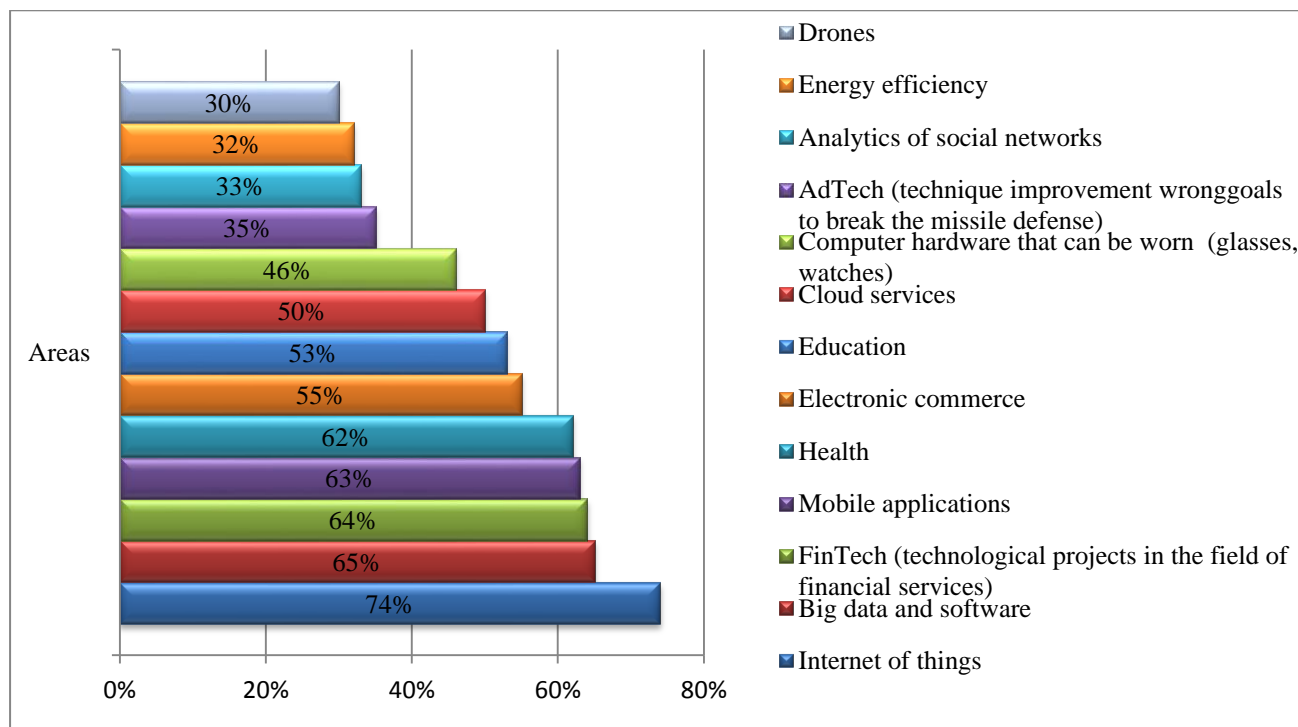


Fig.1. Diagram of research. Areas incubators and accelerators are interested in.

To conclude, the main difference between a business incubator and an accelerator is that the incubator provides an infrastructure, and the accelerator evaluates the prospects and value of the project for the market. The incubator is aimed at setting up a business. The accelerator immediately tested the idea and the product for survivability. It is important, that both organizations help in the end to open a new business for a newcomer, they have different means to achieve this goal and it is up to the startup to choose where to go.

Key words: startup, accelerators, incubators, competition, advantages

REFERENCES:

1. Blank S. Startup. Handbook of the founder / S. Blank, B. Dorf. – M. : Alpina, 2013. – 616 p.
2. Forbes [Electronic resource]. – Access mode: <http://www.forbes.com/sites/natalierobehmed/2013/12/16/what-is-a-startup/#444c636f4c63>
3. Global Accelerator Report 2015 [Electronic resource]. – Access mode: <http://gust.com/global-accelerator-report-2015/>
4. Ringis A. The first round. Startups and business incubators, how they find each other in Ukraine [Electronic resource]. – Access mode: <http://www.investgazeta.net/praktika/pervyj-raund.-startapy-i-biznes-inkubatory-kak-oni-nahodjat-drug-druga-v-ukraine-164157/>