

The Effectiveness of Virtual Business Incubators in Supporting Startups: An Applied Study on Selected Experiences from the Faster Capital Platform

Roqiya Djouama^{1*}

¹ University of Annaba (Algeria), roqiya.djouama@univ-annaba.dz

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Abstract:

This study aims to evaluate the role of virtual business incubators in supporting start-ups by analyzing selected experiences within the FasterCapital platform as an applied model. The research employed a descriptive analytical approach, backed by an analysis of three case studies from different sectors (PickTaxi, EduNoor, Bazarmaker). This analysis aimed to reveal the nature of the services provided by the incubator, the extent to which the incubated companies utilize them, and their impact on entrepreneurial performance indicators. The results of the study showed that virtual incubators, led by FasterCube, effectively contribute to enabling start-ups to overcome the challenges of establishment and growth, as well as geographical, financial, and regulatory barriers, by combining innovative financing, technological services, and administrative and marketing guidance.

Keywords: Virtual business incubators, start-ups, FasterCapital platform.

JEL Classification Codes: L26, M13, O33.

* Corresponding author

1. INTRODUCTION:

Entrepreneurship is considered one of the main drivers of economic growth and digital transformation around the world, with start-ups playing an essential and growing role in creating jobs, promoting innovation, and meeting the diverse needs of markets. However, these enterprises, especially in their early stages, face multiple challenges, most notably a lack of financing, a lack of management expertise, and difficulty in accessing resources to support growth and sustainability. In this context, business incubators have emerged as a strategic solution to support entrepreneurs and help them overcome the critical stages of starting and launching a start-up. With technological and digital developments and changing business models, virtual business incubators have emerged as an innovative alternative to traditional incubators, representing an integrated model that provides a dynamic environment that includes technical and administrative guidance, development services, marketing, and networking with global investors and experts through digital platforms that transcend physical presence. FasterCapital is one of the most prominent and vital examples of this type of incubator, offering an advanced model for supporting start-ups around the world through virtual programs that combine technical services, guidance and mentoring, financing, and sales improvement. The effectiveness of this platform is reflected in the successes achieved by the start-ups incubated within its programs, which have been able to overcome the critical stages of establishment, enter markets, obtain investments, and expand their business globally. Based on this reality, the following study raises this question: **How effective is the FasterCapital virtual business incubator in supporting start-ups?**

1.1. Study Objective: This study aims to achieve several objectives:

- Analyzing the concept of virtual business incubators and their role in the modern entrepreneurship ecosystem, and exploring the nature of the support provided by the virtual business incubator FasterCapital to start-ups in terms of the diversity and scope of services.

- To assess the extent to which start-ups benefit from the services of the virtual incubator, based on an analysis of selected case studies.
- Identify disparities in the benefits among incubated enterprises.
- Evaluate the effectiveness of the virtual incubation model in terms of its impact on the performance and growth indicators of start-ups.
- Propose practical recommendations to activate the role of virtual incubators in the Arab and global entrepreneurial environment.

1.2. Importance of the study: The importance of this study stems from the growing interest in and reliance on digital and virtual models to support entrepreneurs and start-ups, especially in light of the rapid changes in the global economy and the increasing need for flexible solutions that transcend geographical and structural constraints. Virtual business incubators are among the most prominent of these solutions, offering a new form of support for start-ups at all stages, taking into account contemporary digital transformations and responding to market challenges in a flexible manner. This study seeks to fill a gap in the scientific literature by conducting an empirical analysis of the FasterCapital model as a leading virtual incubator and evaluating the impact of its programs and services on the growth and success of the incubated enterprises.

1.3. Study methodology: The research employed a descriptive and analytical approach to present the theoretical framework and a case study approach to examine the practical aspects, analyzing the experience of three selected start-ups incubated through the FasterCapital platform. Secondary data from the platform and its official sources, along with interviews and dialogues with the founders, were utilized. Additionally, a comparative qualitative analysis was conducted to examine the benefits of the incubator's services and interpret the achieved results.

2. Theoretical framework for virtual business incubators

With the rapid digital transformation the world is witnessing today, virtual business incubators have emerged in the entrepreneurial environment, representing a paradigm shift in the concept of project incubation. They provide innovative solutions that transcend the time and space constraints that have limited traditional incubators.

2.1. The concept of business incubators: The idea of business incubators is inspired by incubators used to care for children with special needs and developmental disabilities, so that they can grow naturally through care and a suitable environment. The idea of business incubators is based on providing mechanisms for small projects in their early stages to become more robust, sustainable, and competitive (Klakhi, 2013, p. 296). Business incubators first appeared in 1959 in the United States, where they first appeared in the form of the Batavia Industries Center. Among the first tenants was a company that developed the idea of incubating eggs for artificial chicken production, and so the facility was named the incubator. Shortly thereafter, the University City Science Center was established in 1964 as the first urban research park in the United States, which served as an incubator. Many countries around the world followed suit, particularly European Union countries, which benefited from this experience and established the first business incubator in Europe in 1986. At the Arab level, Egypt was the first Arab country to offer a technology incubator affiliated with the Ministry of Industry in 1998 (Zouda & Boukfa, 2014, p. 57). As for the definition of business incubators, scholars have defined them in many ways, as incubator mechanisms vary significantly in terms of their design, functions, and scope of activity. Understanding the boundaries of business incubators and dealing with heterogeneous definitions is in itself a challenge in the literature on incubators, which is reflected in the differences in definitions put forward by professional associations. Therefore, a precise formulation of the various mechanisms and models of incubators to promote research is essential for the growth and professionalism of this field (Bourich & BenShouaib., 2022, p. 720). Accordingly, the following definitions, which cover the basic paths of business incubators, can be used as a reference: According to the US National Business Incubation Association (NBIA), business incubators are a process of supporting businesses by providing guidance, technical assistance, and advice designed to increase the growth of start-ups, providing access to customers, renting suitable and flexible space and leases, shared business services, basic technological support equipment, and

services to help obtain the financing necessary for the company's growth (BenShalat, 2023, p. 456). The International Association for Innovation in Business has defined it as a process of supporting and accelerating the successful development of start-ups by providing entrepreneurs with a range of targeted resources and services, which are usually developed or organized by the incubator's management. The primary goal of a business incubator is to produce successful companies that will leave the program financially viable, self-sustaining, and self-sufficient. These graduates can create jobs, commercialize new technologies, and strengthen local and national economies (Bourich & BenShouaib, 2022, p. 720). In the same vein, the World Bank Group's Entrepreneurship and Innovation Program recognizes that business incubators aim to support the development and expansion of early-stage, growth-oriented enterprises and provide entrepreneurs with an enabling environment during the initial stages of enterprise development, thereby helping to reduce the cost of launching a business, increase the confidence and capacity of entrepreneurs, and connect them to the resources needed to start and scale up a competitive enterprise (Brahimi, 2021, p. 698). Based on the above, it is clear that business incubators are responsible for transforming project owners' ideas into productive projects by providing an appropriate working environment supported by a range of administrative, advisory, financial, and technical services for a specific period.

Fig.1. Illustrative diagram of the concept of business incubators



Source: (Badrانيا & BenHamadi, 2020)

2.2. Virtual business incubators: The term "virtual incubator" was first coined by Grantham Nowak in 2000 and was used by Mian et al. in 2016 to refer to an incubator that provides knowledge mediation for the development of innovative start-ups. Fadil, Persada, and Baihaqi contributed to research on virtual incubators in 2019 by presenting a comprehensive approach to developing an online platform as an electronic incubator (Brahimi, 2021, p. 699). Virtual business incubators are simply an advanced form of traditional business incubators, which have been around since the 1950s. There are now more than 7,000 business incubators worldwide, and they have been growing in popularity since the 1990s. Virtual or digital business incubators are not just a response to the shift towards digitalization and the move towards digital transformation in the financial and business sectors, but also in various aspects of life. A response to the shift towards digitization and the move towards digital transformation in the financial and business sectors, and multiple aspects of life. It would be illogical for entrepreneurs, who are the primary beneficiaries of these incubators, to lag behind the current technological development and digital progress and continue to conduct their business traditionally (Alwani, 2020). A virtual business incubator must offer all the facilities provided by traditional business incubators. Therefore, a virtual business incubator has the same function as a conventional incubator, with the difference being that all business assistance is provided online, i.e., based on the web. Thus, a virtual business incubator is an advanced form of the classic incubator, a change in the way and methods of performing its services by relying on information and communication technologies, especially the Internet (Manzri & Faradi, 2025, p. 877). Given that business incubators are service providers offering a comprehensive package of services designed to support, facilitate, and accelerate business growth, virtual business incubators do so using services and tools that are largely independent of the location of the service provider and the users of these services, which are delivered wholly or partially using virtual tools (Brahimi, 2021, p. 699). These virtual incubators provide entrepreneurs with access to remote business resources and services through an online platform. Therefore, the precise concept of

virtual business incubators focuses on leveraging information and communication technology to deliver the incubation process and related services within a purely digital environment, whether through websites or specialized digital platforms (Manzri & Faradi, 2025, p. 876). They have also been defined as digital platforms that enable entrepreneurs to access the resources and support they need to develop their ideas and projects, without the need to be physically present at a specific location. Virtual incubators differ from traditional incubators in that they rely on the internet to deliver their services, giving entrepreneurs the flexibility to work from anywhere in the world. These services include consulting, training, mentoring, facilitating access to business networks, and in some cases, providing funding. Based on the above, virtual business incubators can be defined as entrepreneurship support organizations that provide services through digital media and aim to help entrepreneurs create and develop their start-ups without the need for a physical presence in a specific geographical location. These incubators provide a range of basic services, including management training, technical and legal advice, investor networking, and market access facilitation through integrated electronic platforms. These incubators offer the following advantages: Access to a broad audience: Virtual incubators allow participants from different countries to benefit from global expertise, enhancing opportunities for expansion and growth. Flexibility in time and location: Startups can work at their convenience without geographical or time constraints. Diversity of services is achieved by offering a variety of digital resources, including technical tools and virtual training. Cost-effectiveness is achieved through reduced operating costs related to offices.

3.2. The difference between traditional and virtual business incubators:

Both traditional and virtual incubators aim to provide the same services, following the same steps and procedures, starting from incubating the business until it emerges as a start-up in the market.

Table 1. Differences between traditional and virtual incubators

Traditional Incubators	Virtual Incubators
Presence of a physical infrastructure	Absence of a physical infrastructure
Provision of services in person	Provision of services exclusively online
Internet access is not essential.	Continuous internet access required (24/7)

Advantages	Disadvantages	Advantages	Disadvantages
Greater security	High infrastructure and staffing costs	No infrastructure costs	Lower security
Clear identification of funding sources	Mandatory physical attendance for training	Remote training	Uncertainty regarding funding sources
Rapid updates		Rapid updates	
Intellectual property rights are safeguarded.			Concerns over intellectual property protection

Source: (Darbani & Barghouti, 2024, p.61)

The table shows that each type of incubator has its advantages and disadvantages. Traditional incubators continue to play a pivotal role, mainly by providing a real working environment and rich social interactions, making them suitable for start-ups that need a tangible infrastructure. Virtual incubators, on the other hand, are emerging as a more flexible and comprehensive option, suited to the digital age and global market changes, making them ideal for digital and technology projects, despite their lack of direct human interaction provided by traditional incubators.

3. Conceptual framework for start-ups

Start-ups are an active component of the modern economy, thanks to their flexibility and innovation in providing new solutions that meet changing market needs. However, these enterprises face significant challenges in their early stages, such as limited resources and difficulty accessing finance and expertise. Hence, the importance of supporting them through modern mechanisms such as virtual incubators.

3.1. The concept of start-ups and their importance: A start-up is defined in the English dictionary (Cambridge English Dictionary, 2024) as a small business that has just started. The word "start-up" consists of two parts: "start," which refers to the idea of launching, and "up," which refers to the concept of strong growth. The term began to be used after World War II with the emergence of venture capital companies, and its use became widespread thereafter. The French dictionary Larousse defines it as "jeune entreprise" (young enterprise), particularly in the modern technology sector. (LAROUSSE, 2024, p.12) A start-up is a company that adopts innovative ideas that rely primarily on technology and have the potential for rapid expansion and development. The creative idea can be a product, service, process, or business model (BenAli, 2022, p.611). It also seeks to market

and launch a new product or innovative service targeting a large market, regardless of its size, sector, or field of activity. It is characterized by a high degree of uncertainty and risk, yet offers vigorous growth and the potential for huge profits if successful, thanks to the use of modern technologies and substantial funding compared to ordinary businesses (Fallag, 2002, p.30). A start-up is an enterprise with significant growth potential that operates in a state of high uncertainty to deliver innovations that satisfy the needs of a large number of customers or create new needs that can disrupt the existing market and gain leadership in it (Noui & Dahan, 2020, p.9). It can therefore be said that start-ups are organizations that have emerged from entrepreneurial and creative ideas and have great potential for rapid growth and development. They are governed by market laws and a spirit of initiative and intelligence in seizing opportunities in the labor market to offer new, distinctive, and innovative products, which may lead to significant profits despite the risks involved, making them a new and strong bet for the economies of developed countries and those on the growth path. Start-ups derive their importance from: (Abdellawi & Zaidi, 2023, p. 6)

Contributing to gross domestic product and thus diversifying the country's economic resources, as well as allowing for the optimal use of available local resources and Meeting the requirements of large institutions for semi-manufactured products and other goods; Creating wealth through reliance on modern technologies and the capacity for innovation and creativity; Ease of achieving an innovative approach in start-ups; Contributing effectively to the creation of new job opportunities and increasing competitiveness; Ability to absorb economic crises easily and smoothly as a result of quick decision-making and automatic flexibility, as well as a willingness to take risks and develop team spirit. They also play an essential role in Redistributing income by employing the savings of entrepreneurs, rather than hoarding them or using them in areas that do not create added value, and in attracting investors and foreign capital (Seddiki & Hussein, 2021, p. 72). Promoting scientific research through the nature of these companies, which often deal with high technology and knowledge-based services. As a result, start-ups can encourage students or researchers to implement their ideas (Bouzerb & Bouhider, 2021, p. 362).

3.2. Characteristics of start-ups: Start-ups differ from other institutions in several important ways, including: (Boutarfa & Nasra, 2022, pp. 970-971) They are new institutions that differ from small institutions, and small institutions cannot be classified as start-ups. They are young institutions with two options: either to develop and transform into successful institutions, or to fail and close their doors. They are institutions with the opportunity for gradual and increasing growth, as they can grow rapidly and generate revenues that far exceed the costs required to operate. They have the potential to quickly scale up their business, increase production and sales without increasing costs. As a result, their profit margins grow at an astonishing rate. Technology-dependent companies: Startups are characterized by basing their business on innovative ideas and satisfying market needs in a bright and modern way. They rely on technology for growth and progress, finding funding through online platforms or obtaining support and funding from business incubators. Organizations that require low costs compared to the profits they generate.

3.3. Benefits of using virtual business incubators for start-ups: There are many benefits that start-ups gain when they rely on virtual business incubators, which can be illustrated in the following figure:

Fig.2. Benefits of virtual business incubators in supporting start-ups



Source: prepared by the author.

Virtual incubators provide flexible, cost-effective, and scalable support for startups without the limits of physical location. They offer access to expertise, mentorship, and partner networks; reduce costs by avoiding overhead expenses; and often use affordable subscription models. They enable global market access, making it easier for startups to reach

international customers and investors. Additionally, they can give more personalized attention and support, helping startups proliferate, even from remote locations.

4. Start-ups Case study incubated through the Faster Capital platform

This practical aspect examines the experiences of three start-ups incubated through the FasterCapital platform to analyze the nature of the support provided, the degree of benefit derived from it, and identify disparities in the results achieved. The selected cases (PickTaxi, EduNoor, and Bazarmaker) serve as models for assessing the impact of virtual incubation in various contexts. Bazarmaker is an example of the effects of virtual incubation in different contexts.

4.1. Introduction to the FasterCapital platform: FasterCapital is a global project building and online incubator dedicated to crowdfunding and the creation of innovative startups. Founded in 2014, it is today ranked number one in project building in terms of the number of startups it has helped, the funds invested, and the funds raised. It has supported more than 744 startups in raising over \$2.2 billion, while directly investing over \$683.2 million in 290 companies. Its comprehensive support system includes a global network of mentors, investors, and strategic partners, enabling it to transform ideas into scalable, market-ready businesses by providing more than a thousand integrated services. (FasterCapital, 2025)

Fig.3. FasterCapital's performance indicators



Source: (FasterCapital, 2025)

From the above figure, it is clear that FasterCapital is a robust and integrated model for supporting startups, and this is evident through its extensive network that includes 1098 mentors and serves 1443 entrepreneurs, and substantial funding capabilities highlighted by attracting

155 thousand investors and mobilizing \$683.3 million in direct investments, in addition to facilitating \$2.2 billion in external capital, which enabled it to incubate 290 projects and 744 startups, and achieve an exceptional success rate for startups of 92%, and this explains the platform's effectiveness in building a vital and productive ecosystem for innovation and growth.

4.2. FasterCapital Programs Available for Startups: FasterCapital operates on an unconventional business model compared to classic business incubators, as it offers startup owners a technical partnership that includes software development or the digital infrastructure of the project, in exchange for a percentage of shares with the possibility of covering 50% of the cost through internal financing. It also provides specialized programs for transitioning from idea to product, market growth and expansion, and connecting with a vast network of investors using AI-powered technical tools. The most important of these programs are shown in Figure 4:

Fig.4. Programs Offered by FasterCapital for Startups



Source: Prepared by the researcher based on (FasterCapital, 2025)

The importance of the programs described in the figure and the services they provide will be presented as follows:

4.2.1. From Idea to Product Program: The program, facilitated by the incubator, assists early-stage startups (idea stage, pre-MVP, and pre-incorporation) by providing the following services: (FasterCapital, 2025)

Preparing to present the idea to investors: To secure funding and present to investors, the incubator helps entrepreneurs prepare themselves and their projects for presentation. Through meetings with a team of experts and internal investors from the incubator, they provide feedback on how to

develop and improve the idea and how to present the startup to future investors. Planning and developing a financing plan: The incubator helps evaluate the startup and plan financing for the upcoming rounds and stages of the business project. Based on the prepared financial model and calculations of future costs and profits, the project's requirements for each stage to cover expenses and ensure continuity and success are determined.

Reviewing and preparing the necessary files to present the startup: The incubator helps organize a business plan, presentation, and financial model for the startup. It also prepares a market study, competitor analysis, SWOT analysis, effective marketing strategies, and all other aspects necessary when preparing a startup for funding. Moreover, finding suitable investors: The incubator utilizes its proprietary artificial intelligence system to identify appropriate funding sources and secure the necessary financing to launch the startup.

4.2.2. Capital Insurance Program: The program is flexible and meets the needs of a wide range of startups at different stages. First, possible scenarios for securing capital are identified in collaboration with the startup team and founders to select the best approaches for the following stages. In general, the start-up company goes through these stages after being accepted into the program. Capital is secured through the following appropriate sources of financing: (FasterCapital, 2025)

Funding through angel investors: Communicating with angel investors is the best option for startups, especially if a relatively small amount of money is raised for pre-seed, seed, or pre-series funding rounds. The incubator's internal team handles follow-up and communication procedures to provide a list of venture capitalists (VCs) that includes potential investors based on the company's investment system and the startup.

Funding through venture capital funds: The program facilitates connections with VCs via the incubator's extensive network of partners, enabling communication with VCs worldwide and ensuring the startup is a good fit for them. The incubator's internal team handles follow-up and communication procedures to provide a list of venture capitalists that includes potential investors based on the company's investment system.

Financing through loans: When seeking a large amount of money to start or grow a startup, without wanting to give up shares of the startup to investors in return. Fast Capital helps startups find suitable loans by reviewing their credit history and the lender's terms and conditions, increasing the chances of obtaining a loan and providing advice on how to qualify for the required loan. Grant financing: Obtaining a grant depends heavily on several factors, including the type of startup, the country where the startup is located, the field of work, the stage of the startup, its needs, and many other factors. The startup may have the opportunity to obtain a grant from a government or non-governmental organization, and the capital increase program helps explore opportunities to get a grant to finance the startup.

4.3.2. Technical Partner Program: Through this program, the incubator provides all the technical skills necessary to build the startup's product (website, application, desktop software, etc.), covers 50% of the required costs, and receives shares in the startup in return. The incubator requires the entrepreneur or founder to cover only 50% of the costs. This program provides the following services: Pre-development support and completion of the prototype (proof of concept, product costing, building a pilot product, and building a prototype). Software development services (building iPhone and Android applications, website development, database construction and development, cloud services). Design services (technical product design, web design, application design). Specialized technical teams (CTO services, technical product quality testing). (FasterCapital, 2025)

4.3.3. Improve Your Sales Program: The Improve Your Sales program helps you find new customers and expand your customer base. The incubator team works to connect with new customers and attract potential customers by targeting the right market segments, communicating with customers, and gathering their feedback on the product and how it is used. This is achieved by developing a robust strategy to target the market, conducting thorough analysis, and examining potential customers about competitors' offerings and the product's unique features.

4.3.4. Canada Startup Visa Program: The Canada Startup Visa Program is designed for entrepreneurs looking to immigrate to Canada and start a

startup there. The incubator team helps increase the chances of obtaining a Canada Startup Visa by increasing eligibility through assistance in obtaining a letter of support from one of the relevant organizations in Canada (angel investors, venture capital firms, business incubators, and many others). (FasterCapital, 2025)

4.2.3. Analysis of Experiences of Startups Incubated by FasterCapital:

This section aims to analyze the impact of the virtual business incubator on three selected startups fostered by the platform: PickTaxi, EduNoor, and BazarMaker. This analysis is conducted through an empirical study based on reviewing the platform's reports and examining the growth trajectory of these ventures, as illustrated in the subsequent table:

Table 2. Experiences of PickTaxi, EduNoor, and BazarMaker with FasterCapital

	PickTaxi	EduNoor	BazarMaker
Project Overview	An American company offering a service that enables users to request taxis via smartphones or the internet, leveraging advanced algorithms to optimize the matching process between passengers and drivers.	A start-up specializing in educational technology, operating in the United States and Jordan, that has developed several solutions aimed at enhancing and democratizing the learning experience. Its flagship platform, <i>EduNoor Direct</i> , enables teachers and students to interact directly and organize online classes and virtual lessons, exemplifying a peer-to-peer model of interactive learning.	A digital platform that allows users worldwide to create niche, consumer-to-consumer (C2C) online marketplaces. Any user can launch a marketplace dedicated to a specific product category and customize it according to defined attributes. Operates in the United States and the United Arab Emirates.
Reason for Incubation	Selected by the incubator for its innovative concept and potential to transform the taxi service sector. The project aims to offer a seamless and flexible taxi-booking experience through an automated service based on geolocation.	Chosen for incubation due to its promising and innovative approach to revolutionizing the learning experience by providing a digital platform for direct interaction and virtual classrooms, enhanced with tools such as whiteboard sharing, file exchange, and attendance tracking—thereby increasing the efficiency and interactivity of e-learning.	Joined the incubator for its creative concept and strong potential to simplify the process of creating specialized local marketplaces, typically a complex and time-consuming task for entrepreneurs, thus reshaping local buying and selling practices.
Business Analysis	FasterCapital supported the project through its Co-Founder Technical Program, offering valuable expertise and strategic guidance to assess market realities and identify competitive advantages, resulting in a customizable and market-adaptable product.	Provided in-depth business analysis, examining the company's strategic approach and identifying key challenges, coupled with actionable recommendations to enhance performance, which led to a refined and market-aligned business model.	Conducted comprehensive business reviews covering operations and performance practices, which helped expand the client base, strengthen brand recognition, and foster collaborative networks.
Funding & Planning	Assisted in securing \$100,000 during the seed funding round, enabling the team to focus on operations rather than investor outreach. Provided strategic guidance for growth and expansion planning, resulting in a clear roadmap and effective resource allocation.	Within two months of joining the program, I attracted multiple offers from traditional investors. Supported in crafting a comprehensive business plan and validating the business model, significantly improving investment readiness.	Secured \$200,000 in the third funding round by connecting the company with suitable investors, allowing product enhancement, new feature development, and integration with major e-commerce platforms.

Product Development	Played a pivotal role in product launch, building the entire infrastructure and mobile applications for both Android and iOS in exchange for equity, making FasterCapital both a founder and investor.	Collaborated closely with the company to build the product from scratch, adhering to the highest technical standards. Provided professional mentorship, managerial skills development, and facilitated strategic networking to accelerate growth.	Guided the design of the software architecture and development of technical features, transforming the concept into a market-ready product.
Services Provided by FasterCapital	From Idea to Product Program: validated market potential, refined concept, and developed a flexible, customizable product. Grow Your Startup Program: Facilitated entry into new markets and promoted the service across multiple cities by leveraging industry expertise and professional networks. Comprehensive Business Planning: Developed a detailed business plan and precise financial model to enhance investor appeal, connecting the company with angel investors and venture capital firms. Technical Product Development: Provided full-scale technical development services to design and implement a robust, scalable product architecture. Marketing and Sales Support: Delivered content marketing and sales-as-a-service solutions, enabling the company to effectively reach its target audience and convert prospects into paying customers. Valuation and Investor Negotiation: Conducted thorough company valuation and engaged in investor negotiations to secure favorable funding terms during investment rounds.	Professional Business Planning: Crafted a professional business plan, integrated financial model, and investment pitch deck highlighting the venture's market value to attract funding. Targeted Market Penetration: Through the Grow Your Startup Program, we employed a dedicated in-house sales team to identify target markets, develop sales strategies, and execute outreach campaigns to potential clients. Investor Networking and Fundraising: Connected the company with a network of angel investors and venture capitalists, assisting in funding strategy and securing the capital necessary for growth. End-to-End Product Development Oversight: Provided comprehensive technical supervision and guidance throughout all development phases to ensure product scalability and market readiness. Enhanced Market Reach: Strengthened marketing and sales efforts through content-driven strategies, enabling broader market penetration. Investor Negotiation Support: Offered direct assistance during funding negotiations, helping secure advantageous terms and reinforcing the company's bargaining position.	Structured Business Concept Development: In the Idea to Product Program, guided the systematic formulation of a business plan, transforming the concept into a structured, actionable model. Market Expansion Facilitation: Under the Grow Your Startup Program, enabled entry into new markets via a dedicated sales team promoting the platform to potential clients, coupled with detailed feedback for continuous improvement. Capital Raising Success: Within the Funding Program, facilitated connections with appropriate investors, resulting in a total of \$300,000 in funding—\$200,000 of which was secured in the third round alone.
Results	Raised over \$7.4 million, benefited from six core incubator services, and received nine years of continuous support. Now recognized as a leading digital urban transport venture, aiming to introduce innovative ride-matching tools.	Secured \$1 million in funding, utilized six core FasterCapital services, and received eleven years of sustained support. Currently operates as a trusted, mature digital education solution offering a fully integrated virtual learning environment with numerous interactive tools.	Raised \$3.2 million across multiple funding rounds, accessed three primary incubator services, and enjoyed nine years of ongoing support. Developed advanced features, expanded global reach, and integrated with major online platforms.

Source: Compiled by the researcher based on: (FasterCapital, 2025)

The three cases presented in the table above show that virtual business incubators, represented by the FasterCapital platform, enable start-ups to overcome traditional obstacles related to geographical location or limited financial resources. The analysis shows that multidimensional support (technical, financial, advisory, and marketing) has contributed significantly to accelerating the growth of these companies and enhancing their readiness

for investment and expansion. FasterCapital has adopted a flexible incubation model based on tailoring support to the characteristics and needs of each start-up, i.e., contextual customization rather than a standardized model or ready-made solutions. This was evident in the quality of services provided by the incubator in the technical, marketing, or investment fields, according to the requirements of each company. The projects under study were innovative, as each sought to address fundamental challenges within its sector. PickTaxi (smart transportation) focused on facilitating taxi reservations through intelligent matching algorithms, while **EduNoor** (e-learning) aimed to create an interactive virtual learning environment, and **BazarMaker** (e-commerce) sought to enable users to create specialized vertical online marketplaces. The decision to incubate these projects was based on their ability to make a significant impact in their respective markets, which was reflected like the support provided, including business analysis, strategic planning, product development, financing, It also contributed to the development of the technical infrastructure of these projects, the formulation of business plans, and networking with investors, which helped them grow and expand their activities. A variation in the results achieved by the start-ups under study was observed. This difference in results is not only related to the quality of support provided by FasterCapital but also to the degree of utilization and activation of these services by each start-up. All companies received services in various areas from the incubator, but the interaction with and effective use of these services varied significantly. **PickTaxi** made comprehensive and advanced use of the incubator's services, benefiting from all six core programs with high effectiveness, particularly in technical aspects and product development, as well as preparing an integrated business plan and expanding its customer base in multiple markets, which resulted in significant funding of over \$7.4 million. **EduNoor**, on the other hand, utilized the incubator's services in a balanced and in-depth manner and succeeded in transforming technical and marketing support into a mature educational platform that provides an interactive learning environment. However, its financial return was relatively lower at \$1 million, indicating challenges in translating social impact into direct financial returns. In

contrast, **BazarMaker**'s use of the programs was limited and selective, benefiting from only three main programs, with support focused on product development and securing funding, at the expense of marketing or strategic evaluation, despite receiving relatively good financing of \$3.2 million. This disparity is due to several factors, most notably the readiness of the founding team, the nature of the target market, and the degree of interaction with the incubator programs. This analysis shows that the effectiveness of virtual incubators depends not only on the quality and diversity of the services provided but also on the willingness of start-ups to use them intelligently and engage fully in the incubation process.

5. CONCLUSION

The emergence of virtual incubators represents an important shift in the global entrepreneurial ecosystem, providing innovative and flexible alternatives to enable start-ups to overcome the challenges that often hinder their early-stage growth. Virtual incubation is no less effective than traditional models, and in some contexts even surpasses them, provided that entrepreneurial teams have a strategic awareness of how to leverage available resources. Based on an analysis of the content of FasterCapital's startup programs and a study of a set of entrepreneurial experiences incubated within them, the study reached a set of key findings that highlight the effectiveness of virtual incubators in supporting startups, namely:

The comprehensiveness of the support provided by FasterCapital to start-ups includes an integrated model of support that includes technical support, financial and investment support, and management and marketing guidance. This integration has had a positive impact on the readiness of incubated start-ups to enter the market and has increased their competitiveness in the early stages. The geographical and sectoral diversity of the FasterCapital incubator is notable, as it has incubated start-ups from multiple cultural backgrounds and geographical regions. The incubated sectors include diverse fields such as digital education, intelligent transportation, e-commerce, financial technology, and other emerging technologies. This reflects the virtual incubator's ability to provide an incubation model that

transcends local and physical barriers and meets the needs of entrepreneurs in different environments.

Accelerating market access: The case studies demonstrated that the virtual incubator accelerated project launch and shortened the development cycle by providing direct technical support, strategic guidance, and networking opportunities with international investors and consultants, thereby offering real growth opportunities and access to new markets.

There are disparities in the degree to which each start-up benefits from the support provided through virtual incubator programs, due to internal and external factors, such as the founders' commitment to interacting with mentoring programs, the maturity of the idea, and the suitability of the target sector to the platform's mechanisms. The virtual model adopted by FasterCapital has proven effective in reducing operating costs for start-ups and overcoming physical and geographical constraints, enabling a more sustainable and scalable incubation environment.

Based on the above, the study makes the following recommendations:

Promote virtual incubator models in entrepreneurial environments, especially in developing countries, due to the flexible and low-cost opportunities they offer in supporting start-ups. Develop diagnostic assessment tools for start-ups within the virtual incubator to ensure that support is allocated appropriately according to the needs of each project. Moreover, expand cooperation and partnerships between virtual incubators and academic or industrial institutions to create an integrated environment that supports entrepreneurship in all its aspects. Finally, adopt continuous monitoring and evaluation strategies for incubated projects to improve program quality and increase long-term success opportunities.

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