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Business Incubators and Accelerators: Evaluating Their Role in Startup Survival and Scaling in India

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Abstract

In the context of the growing policy support for technology businesses, university innovation, inclusive entrepreneurship, and high growth entrepreneurship, business incubators and accelerators have emerged as a key pillar of India's entrepreneurial ecosystem. While these support organisations are often touted as tools for boosting start-up survival and growth, there is mixed evidence of their effectiveness and they depend on context. The current article assesses the significance of business incubators and accelerators in the process of startup survival and startup scaling in India by adopting desk-based literature review approach. It draws on academic research and policy literature on incubation, acceleration, entrepreneurial ecosystems, venture development, technology commercialisation, resource mobilisation, mentorship, financing and ecosystem governance. The review confirms that incubators and accelerators help startups survive by lowering early-stage liability of newness, access to infrastructure, enhance founder skills, allow startups to develop prototypes, validate the market, and link startups to mentors, investors, universities, corporate organizations, and public schemes. They play a vital role in scaling up when support is specialised, time-sensitive, network-rich, sector relevant and connected to finance and market access. The review also highlights continuing issues, such as variable incubator quality, a concentration in the main urban hubs, the lack of impact measurement, limited post-incubation support, a lack of deep-tech commercialisation capacity, equity/inclusion gaps, and risks of premature scaling. The article concludes that the success of a venture is not guaranteed by incubators and accelerators; it depends on multiple factors such as the design of the institutions, the quality of selection, the depth of mentorship, the connections with other actors in the ecosystem, the absorptive capability of the founders, and policy alignment. To boost the role of incubators and accelerators in the startup survival and scaling rate for India, it is essential to have a better performance measurement system, development of the ecosystem, U-I interface, gender-sensitive incubation, and financing based on outcomes.

Key words: *Business incubators; startup accelerators; startup survival; scaling; entrepreneurial ecosystems; India; technology ventures*

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1. Introduction

The Startups are responsible for innovation, job creation, productiveness growth, market disruptions, and social and economic problem-solving. But new businesses also have a high risk of failure because they lack resources, markets are uncertain, organisational routines are not well developed, networks are underdeveloped and their credibility is weak. These weaknesses are often referred to as 'liabilities of newness' and accounts for why many startups fail to achieve stable revenue, market fit and organisational maturity (Freeman et al., 1983; Stinchcombe, 1965). Financing, infrastructure, regulatory burden, market fragmentation, and the lack of mentors or customers can exacerbate the survival challenge in emerging economies (Dutt et al., 2016; World Bank, 2020).

As a reflection of these early-stage weaknesses, business incubators and accelerators have been growing in the institutional landscape. Business incubators typically offer workspace, shared services, mentoring, business development support, access to laboratories, technology transfer support and progressive development of a venture over a flexible time horizon. In contrast, accelerators are usually cohort-based, time-bound, intensive programmes that provide mentoring, training, networking, investor access and demo-day opportunities with the aim of compressing venture learning and speeding up market readiness (Cohen et al., 2019; Pauwels et al., 2016). Both models aim to decrease uncertainty, enhance the founders' capacities and link startups with the resources which they are not able to easily access on their own (Bergek & Norrman, 2008; Bruneel et al., 2012).

India is an important context to discuss business incubators and accelerators, given the fact that the startup ecosystem in India has been growing at a very fast pace in the past 10 years. The visibility of entrepreneurship support has been enhanced through Startup India, Atal Innovation Mission, Technology Business Incubator programmes, university innovation centres, state startup missions and private accelerators. By March 2026, the Government of India had recognised over 2.12 lakh startups by DPIIT, and Startup India continues to provide recognition, compliance support, intellectual property support, funding schemes and ecosystem building mechanisms for eligible startups (Press Information Bureau, 2026; Startup India, 2026).

However, the key issue is not just about the number of incubators and accelerators India is creating, but whether they actually enhance the chances of startups' survival and scaling. Survival is being able to continue to operate past the early stage failure period; scaling is when a venture continues to grow in terms of customers, revenue, employment, markets, technology capability or investment readiness. Incubators and accelerators can help achieve both, albeit in different ways. Earlystage uncertainty reduction is often a critical determinant of survival, whilst growth capabilities, networks, finance, leadership, product-market fit and organisational systems are determinants that are more relevant to scaling (Gonzalez-Uribe & Leatherbee, 2018; Hallen et al., 2020).

There are also concerns of quality, inclusion and accountability in the Indian incubation landscape. Entrepreneurship density, venture capital networks, corporate partners, and talent pools are strong in leading metros like Bengaluru, Delhi-NCR, Mumbai, Hyderabad, Pune and Chennai, and remain weak in many smaller cities and rural areas. Public initiatives like Atal Incubation Centres and Atal Community Innovation Centres aim to fill these gaps by fostering innovation in universities, institutions, corporates, under-served areas and community spaces (Atal Innovation Mission, 2024; Goswami et al., 2018).

This article examines the contribution of business incubators and accelerators towards startup survival and scaling in India. It explains that these organisations are important, since they function as intermediaries between founders and broader entrepreneurial ecosystems. But they don't work instantly. They are effective if their selection, mentorship, sector specialisation, investor connections, university-industry linkages, follow-on support, founder learning and performance measurement are of good quality. Hence, the article

takes a desk-based review approach, which aims to integrate findings from the literature on incubation, acceleration, venture performance, and entrepreneurship policy both internationally and in the Indian context (Hausberg & Korreck, 2020; Leitão et al., 2022).

2. Literature Review

The research on business incubation has progressed from initial work on physical facilities and shared services to more comprehensive studies on entrepreneurial support organisations, entrepreneurial ecosystem intermediation, technology commercialisation, and business performance. In the initial incubator models, focus was placed on office, administrative services and subsidized facilities and equipment, and in the later models mentoring, networking, university links, finance readiness, and internationalisation support were added (Hackett & Dilts, 2004; Mian, 1996). In the current research, incubators are viewed as a platform for resource orchestration, which supports the startups in combining knowledge, social capital, legitimacy and infrastructure in ways that foster the development of a venture (Bøllingtoft & Ulhøi, 2005; Bruneel et al., 2012).

There are various types of incubators and they are designed differently. A typical university-based incubator may have a strong interest in technology transfer, student entrepreneurship, faculty innovation, prototypes, patents and research commercialisation. Public incubators are typically focused on advancing regional development, job creation, inclusive entrepreneurship and innovation in an early stage. Corporate incubators can be geared to strategic innovation, new business models, supply chain innovation and corporate clientele. Private incubators might focus on scalable businesses and business models that are viable (Bergek & Norrman, 2008; Phan et al., 2005). The differences are important in that they shape the objectives of the incubator, the criteria for selecting projects, the design of the services, indicators of performance, and outcomes.

Accelerators are a type of entrepreneurial support that is separate but related. Including an educational session, peer learning, intense mentoring, investor exposure and a final demo day, they are most commonly described as having competitive selection, fixed-term cohorts, intense mentoring, investor exposure and culminating demo days. They are designed to shorten the time to entrepreneurial learning, and to speed up the process of venture development. Thus, the accelerator model is designed less to provide a long-term sheltered-development environment and more to enable swift validation, network exposure and market readiness (Cohen et al., 2019; Pauwels et al., 2016).

Understanding the distinction between incubators and accelerators is crucial for startups' survival and scaling. Incubators tend to better serve startups at an early stage who need time to develop prototypes, further technologies, access labs and lay the groundwork of their organizations. Accelerators are typically better suited for start-ups that have a product idea, founding team or early traction and are looking for quick learning, investor-prep and market access. But the distinction is not always evident and many Indian organizations integrate incubation and acceleration activities within a single institutional organization (Crișan et al., 2021; Dee et al., 2015).

Resource-based view, social capital theory, dynamic capability theory, and entrepreneurial ecosystem theory are four theories that are frequently used to explain the impact of incubators and accelerators. The resource-based view says startups must have valuable, rare, and hard to imitate resources to create an advantage, but at an early stage, startups don't have these resources. Support to startups is given by incubators and accelerators through different means, including but not limited to providing or arranging infrastructure access, knowledge, mentoring, networking, finances, and legitimacy (Barney, 1991; Dutt et al., 2016).

Social capital theory provides an understanding of the dynamics of the role of the network in entrepreneurship. Startups need relationships with their customers, suppliers, investors, mentors, regulatory

authorities, universities, corporates, and other founders. The bonding social capital is created by incubators and accelerators through peer cohorts, while bridging social capital is achieved through external networks. These networks can help to access knowledge, referrals, credibility and investment opportunities (Bøllingtoft & Ulhøi, 2005; Nahapiet & Ghoshal, 1998).

Dynamic capability theory is also relevant in that scaling requires companies to be able to sense opportunities, seize them, and to re-combine resources when markets shift. Incubators and accelerators can enhance these competencies by supporting the founders in making business model changes, assembling teams, and tuning go-to-market strategies based on customer feedback and founder's assumptions. This is particularly relevant in industries with a short product lifecycle, evolving consumer demands, and fluctuating financing environments such as technology industries (Hallen et al., 2020; Teece, 2007).

In the context of entrepreneurial ecosystem theory, incubators and accelerators are seen as a corridor in a broader regional and national entrepreneurial ecosystem. Ecosystems comprise of entrepreneurs, investors, Universities, corporates, government authorities, support organisations, culture, infrastructure, markets and talent. Incubators and accelerators are not standalone entities; they need the surrounding ecosystem conditions to make them effective (Audretsch & Belitski, 2017; Spigel, 2017; Stam, 2015). This is relevant in the Indian context as the support for startups vastly differs across regions, sectors, institutional sponsors, and financial access.

The evidence about the effectiveness of incubators is inconclusive. Some studies suggest that incubators have the potential to enhance the survival of the startups, innovation, product development, and access to resources; others suggest that the impact of incubation can be weak or uneven if the incubation assistance is generic, poorly targeted, and uncoordinated with markets. Schwartz (2013) concluded that incubator involvement may impact the survival of the firm, but also showed the need for comparison groups to not overstate the impact. Recent reviews also argue that the incubator's impacts rely on the incubator's type, service quality, the capabilities of the incubated firms and on the context of the ecosystem (Hausberg & Korreck, 2020; Leitão et al., 2022).

The evidence for accelerators is also circumstantial. Gonzalez-Uribe and Leatherbee (2018) reported that accelerator participation can impact the performance of ventures through training and cash grants, and Hallen et al. (2020) demonstrated that accelerators can enhance the development of ventures through broad, intensive and paced consultation. But there are also dangers in the acceleration when it comes to scaling without product validation, establishing organisational systems or knowing customer segments. Thus, the most effective accelerators are those which increase founder learning; rather than simply create greater visibility for investors (Cohen et al., 2019; Crișan et al., 2021).

It is also found that the role of incubators and accelerators is crucial in India's nascent yet lopsided ecosystem. Goswami et al (2018) identified that accelerators in Bangalore played a dual role in helping individual ventures and also contributed in shaping the entrepreneurial ecosystem in Bangalore by providing expertise, networking and legitimacy. Goswami, Mitchell, and Bhagavatula's analysis is especially relevant as Bangalore is one of the strongest startup hubs in India, and it illustrates how accelerators relate to the ecosystem capabilities that are available to the ventures (Goswami et al., 2018).

Studies on the Indian technology business incubators also highlight on the need of performance measurement. Rathore and Agrawal (2021) have proposed that the performance indicators of incubators in higher education institutions should incorporate idea screening, transforming ideas into startups, survival of the incubatees, graduation, funding availability, patenting, mentoring and industry linkage. This is significant as many incubators measure activity data like events and participants, but outcome-based data is required to measure survival and scaling of startups (Rathore & Agrawal, 2021).

The national and state policy environment has been conducive to the growth of incubators in India. Atal Innovation Mission funds Atal Incubation Centres, Established Incubation Centres, Atal Community Innovation Centres and challenge based programmes that aim to foster innovation and entrepreneurship in institutions and regions. Startup India offers access to various support mechanisms such as recognition, tax, compliance, intellectual property, funding and ecosystem. Such programmes demonstrate that incubation and acceleration in India is not only a service for private entrepreneurship but also a tool to pursue national innovation policy (Atal Innovation Mission, 2024; Startup India, 2026).

But with an expanded policy comes increased demand for improved evaluation. Analysis of incubator and accelerator success is often based primarily on the number of startups enrolled, numbers of events held or grants awarded, but not on whether the ventures survive, grow, create jobs, commercialise technology, attract investment, or solve real market problems. Hence, according to the literature, the evaluation of such a process should be done in a multidimensional way, including survival, growth, innovation output, revenues, readiness for investments, market entry, inclusion and contribution to the ecosystem (Bergek & Norrman, 2008; Rathore & Agrawal, 2021).

3. Methodology

This article is based on a desk-based literature review. The review draws on academic articles, policy documents, institutional reports, and studies on business incubators, accelerators, start-up survival rates, scaling, Technology Business Incubation (TBI), University entrepreneurship and Entrepreneurial ecosystems in India. The approach is suitable since the aim is to test whether there is knowledge available or not, and not to present data from primary field research with start-up founders, incubator managers or investors (Xiao & Watson, 2019; Tranfield et al., 2003).

Four review inclusion principles were followed. First, sources had to discuss business incubators, accelerators, entrepreneurial support organisations, survival of startups, scaling, venture performance or ecosystem development. Second, studies that were peer-reviewed were preferred, particularly those that presented systematic reviews, empirical data, and/or conceptual models. Thirdly, India-specific sources were included if they discussed the Indian incubation landscape, Startup India, Atal Innovation Mission, technology business incubators, or regional entrepreneurial ecosystems. Fourth, policy and institutional documents were incorporated when they contained relevant information on entrepreneurship support and ecosystem building in India (Atal Innovation Mission, 2024; Press Information Bureau, 2026).

Thematic analysis was used to analyse the literature. The main themes were categorised as resource support, mentorship, networks, finance, technology commercialisation, survival, scaling, inclusion, regional differences and measurement of performance. The analysis was directed towards the effect of incubators and accelerators on start-up outcomes and why this varies in different contexts. Adopting a thematic approach is appropriate for a desk review as it permits evidence from various sources to be presented in a connected discussion (Braun & Clarke, 2006; Snyder, 2019).

The article is constrained by using secondary literature. It is not used for calculating original survival rates, determining causal effects, or comparing incubated and non-incubated startups based on the use of primary data. It, however, offers an evidence-based synthesis of what has been done and highlights actionable implications for incubator managers, accelerator operators, universities, policymakers, investors, and actors in the startup ecosystem in India. Future empirical studies should validate the claims by employing longitudinal startup data, comparison groups, founder surveys, incubator administrative data and indicators from the ecosystem at the regional level (Leitão et al., 2022; Schwartz, 2013).

4. Findings and Discussion

The first major finding is that incubators and accelerators positively influence the survival of startups by alleviating resource constraints at the early stages. Lack of affordable space, advisors, market information, systems, credibility and specialised infrastructure are among the reasons why startups fail. Incubators solve these problems by providing shared facilities, administrative services, laboratory, prototype space, legal and accounting services, and business development services. These services lower (and limit) the uncertainty and costs associated with the formation of ventures at the early stage (Bergek & Norrman, 2008; Hackett & Dilts, 2004).

For technology and deep-tech startups, as prevalent in India, resource support, including access to laboratories, testing facilities, technical mentors, IP guidance and university knowledge are extremely crucial. University based technology business incubator can assist in the research to commercialisation transition by providing prototype development, patenting, proof of concept development and early validation with customers. Their effectiveness, however, relies on the effectiveness of university–industry linkages and institutions' capacity to contribute to entrepreneurial activities beyond just publication and patent creation (Loganathan, 2022; Mian, 1996).

Second, the key finding is that mentorship and founder learning is at the heart of success and growth. Startups don't just need funding and facilities, they also require mentorship on customer discovery, product design, pricing, regulatory compliance, hiring, marketing, financial planning, and investor communication. From an accelerator research perspective, intensive consultation and structured learning can enhance venture development, involving founders with multiple experts and inducing rapid feedback loops (Hallen et al., 2020; Pauwels et al., 2016).

It is more important to have the right mentors than to have mentors. General guidance is not as effective when mentors are not sector specialists, have no start-up experience or market knowledge, and are not willing to follow-up. Evidence on entrepreneurial advice indicates that advice is effective when it is relevant, actionable, credible and tailored to the founder's entrepreneurial development stage (Chatterji et al., 2019). Mentor Matching is thus a critical design aspect for Indian incubators and accelerators as ventures in fintech, agritech, healthtech, edtech, climate technology, biotechnology and manufacturing need different kinds of expertise.

The third finding is that incubators and accelerators increase the chances of survival by creating legitimacy. Trust is difficult to establish with customers, suppliers, investors and regulators due to lack of track record. Joining a well-established incubator, university incubator or corporate accelerator, government incubator, or investor-backed incubator can be a sign of quality and lower the perceived risk. This legitimacy may facilitate startups to get meetings, pilots, partnerships and early customers (Suchman, 1995; Dutt et al., 2016).

In India, in particular, this aspect of legitimacy is crucial, as startup ecosystems are already established in certain cities and remaining in a state of development in others. Despite their drive, first-generation founders, women entrepreneurs, and smaller city entrepreneurs might be credibility challenged. Institutional endorsement, networking opportunities, and national programme connections like Startup India and Atal Innovation Mission (Atal Innovation Mission, 2024; Startup India, 2026) can help overcome these barriers through incubators and accelerators.

The fourth is that incubators and accelerators play a role in scaling by facilitating links between startups and market and finance. Basic services can sustain their survival, while scaling demands a combination of customers, revenue generators, management systems, investor preparation, strategic alliances, and market growth. Accelerators are more often linked to investor exposure, pitch preparation, demo days and VC

networks, with incubators more likely to involve longer term product development and readiness for commercial entry (Cohen et al., 2019; Gonzalez-Uribe & Leatherbee, 2018).

For many startups, particularly in nontraditional VC hubs and outside typical VC portfolios, access to finance is still a big challenge in India. Incubators and Accelerators can assist by getting the start-up ready for grants, seed funds, angel investment, bank financing, VC Funding and public procurement offers. While the Startup India and other public schemes offer funding and support instruments, startups need institutional guidance to meet the eligibility criteria, documentation requirements, compliance issues, and investor expectations (Press Information Bureau, 2026; Startup India, 2026).

The fifth finding is that university linked incubation is critical for technology commercialisation but needs to be better aligned. There is a lot of scientific, engineering and technical potential in the universities and research institutes of India, and in many cases commercialisation needs to be done by translating the research outputs into viable business models. Technology business incubators can facilitate this translation by enabling founders to assess market needs, IP protection, prototype development and interacting with industry partners (Rathore & Agrawal, 2021; Wright et al., 2017).

But the university incubators could be limited by bureaucratic process, lack of incentives for faculty to be entrepreneurs, lack of industry involvement, lack of professional incubator management and lack of experienced mentors. Based on the studies of Indian technology business incubators (TBIs), there is a need for clear performance indicators and institutional mechanisms that capture not just the incubation activities but also outcomes of the startups, technology outputs and survival (Rathore & Agrawal, 2021). This means that incubation must be viewed as a strategic innovation function of the University and not as an administrative add-on.

The sixth finding is that accelerators contribute to the development of entrepreneurial ecosystems in regions. As demonstrated by Goswami et al. (2018), accelerators in Bangalore acted as intermediaries to the ecosystem, building competence, networks, and relationships between founders, mentors, investors, and others. This indicates that accelerators can be more than just individual startup successes, they can also boost the knowledge of entrepreneurs, the relationship between entrepreneurs and investors, and the norms of high-growth entrepreneurship in an area (Goswami et al., 2018; Spigel, 2017).

This ecosystem aspect is very relevant to India as the startup activity is regionally imbalanced. Experienced entrepreneurs, venture capital, universities, corporates, and skilled labour are all contributors of strong hubs, which are bolstered by dense networks. Growth areas require ecosystem developers who can link local entrepreneurs to networks on national and international levels. Incubators and accelerators can do this when they facilitate the creation of local ventures and connect entrepreneurs to external mentor, markets, investors and policy programmes (Audretsch & Belitski, 2017; Stam, 2015).

The 7th finding is that selection and fit matter when it comes to the impact of incubator and accelerator. A good programme should choose the startups, which have the right needs for the services provided. Ventures that are accepted into incubators because of the absence of selection logic may be weak outcomes. Early-stage accelerators can lead founders to early-stage pitches, potentially before they've proved their product or customer. Founder commitment, problem-solution fit, sector needs, technology readiness, market potential, and programme expertise should therefore be taken into account when selecting founders (Aerts et al., 2007; Bergek & Norrman, 2008).

Fit is also an issue post-selection. Regulatory guidance, clinical validation, IP support, and patient safety knowledge are all needed by a startup developing a medical device. Farmer networks, field trials, climate data, and supply chain partnerships could be required for an agritech startup. Product analytics, customer acquisition, pricing support and global sales channels may be required by a software-as-a-service startup.

This suggests that incubation and acceleration efforts can be more effective when tailored to specific sectors than generic entrepreneurship training (Cohen et al., 2019; Leitão et al., 2022).

The eighth finding is that performance measurement is a weak area of incubation and acceleration systems. Numerous programmes provide details on inputs and activities, including applications, events, mentors, trainings, incubatees and demo days. These measures are helpful but not enough. The outcome measures for Startup survival and scaling are measures such as revenue growth, survival after graduation, employment created, funds raised, patents commercialised, customers acquired, follow-on investment, market expansion, and social/environmental impact (Rathore & Agrawal, 2021; Schwartz, 2013).

Outcome measurement should also not overestimate impact. Programme effects may be confounded with selection effects as startups selected by strong accelerators may be superior to non-selected startups in the first place. For that to get evaluated rigorously, however, comparison groups, longitudinal tracking, and clear definitions of success are necessary. Research on accelerators and incubators reveals that causal statements must be made with caution, as some startups' success is due to programme participation while others are successful without it (Gonzalez-Uribe & Leatherbee, 2018; Hallen et al., 2020).

The ninth finding is the fact that inclusion is still a critical issue. Despite growth in the Indian startup ecosystem, there is a lack of quality incubation, mentoring, finance and investor network across gender, region, caste, class, language, education and industry sectors. Women founders, rural founders, first generation entrepreneurs and founders who are not from elite institutions may have extra constraints to access networks and capital. Outreach, targeted mentoring, flexible programme design, local language support and women-specific funding channels can all help overcome these barriers to inclusive incubation (Brush et al., 2019; Welter et al., 2017).

Atal Community Innovation Centres and state-level initiatives are important because they appreciate the need to decentralise the support for innovation beyond the urban and elite institutional networks. But the criterion for inclusion should not be limited to the number of incubators established in the less served areas. The extent of its success should be measured by the success of entrepreneurs in those areas in terms of survival, scaling up, finance, problem solving and linkage to global markets (Atal Innovation Mission, 2024; NITI Aayog, 2025).

The tenth is that incubators and accelerators have the potential for creating risks, if not well-designed. If a startup company can stay too long in an incubator, then the dependency can be created. Fundamentally, accelerators can cause startups to scale too quickly by forcing them to fundraise before they get to product-market fit. Programmes can also be more focused on visible pitch events than on deep operational support, or choose startups where the investor has a vision of how the narrative will fit rather than startups that solve important local problems (Crișan et al., 2021; Dee et al., 2015).

These risks imply that the support of the startups should be stage-appropriate. Early-stage entrepreneurs might require problem validation, prototype assistance and basic business skills. Growth stage startups might require funding, systems to hire, market expansion, compliance and governance, and leadership development. The time may be longer than that of the digital platform startups due to the research, testing, regulatory and commercialisation requirements for deep-tech startups. Therefore, one size fits all approaches should be avoided for incubators and accelerators (Bruneel et al., 2012; Wright et al., 2017).

The eleventh finding is that policy alignment contributes to the effectiveness of incubators and accelerators. The support structure for startups in India includes national recognition, funding schemes, state policies, innovation missions, university incubators, corporate accelerators, and private venture support. While valuable, these components need to be coordinated to minimise duplication, enhance referral processes, and to help startups throughout the venture lifecycle. Fragmentation can result in founders shifting between

programmes, without getting integrated support for survival and scaling (Government of India, 2016; NITI Aayog, 2025).

Last, but not least, incubators and accelerators can be viewed as ecosystem builders not just as service providers. They are best at assisting founders to bring together resources, learning, networks, legitimacy, finance and market access. In India, this involves the linkages between local innovation, national schemes, university knowledge, private capital, corporate demand, public procurement and global markets. The evidence thus suggests a conditional conclusion: Incubators and accelerators can positively affect the survival and scaling of startups provided the services are of good quality, customized, inclusive, result-oriented, and supported by robust entrepreneurial ecosystems (Hausberg & Korreck, 2020; Leitão et al., 2022).

The twelfth finding is that corporate partnerships and public procurement can provide incubation support with real scaling opportunities. However, the difficulties startups face are not often due to their poor technologies, but rather because they lack reference customers, pilot sites, procurement access, etc. and distribution partners. The gap can be lessened by establishing pilot pathways and early demand for startup solutions in the form of corporate accelerators, industry linked incubators, and government challenge programmes. This is particularly true in the Indian context as various industries like health technology, agritech, fintech, logistics, renewable energy and manufacturing demand credible anchor customers and sectoral validation before they can scale up quickly (Cohen et al., 2019; Wright et al., 2017).

The 13th is that digital public infrastructure creates conditions that enable startups to scale up, though, incubation services are required to convert opportunity into viable business models. The platforms and technology that underpin India's digital infrastructure, fintech rails, identity systems, and growing online markets have paved the way for platform-based and technology-enabled businesses. But having access to digital infrastructure doesn't ensure sustainable companies. However, startups must still address customer issues, adhere to regulations, gain customer trust, responsibly use data, and learn to scale their businesses. There are opportunities to support founders through incubators and accelerators for business model support, compliance mentoring, data governance guidance, and partnerships (NITI Aayog, 2025; Startup India, 2026).

The fourteenth finding is that survival of a start-up must be measured in more than just a legal sense. A start-up company can be incorporated but can't make any money, have any customers, have any employees, raise any capital, or sustain itself. So meaningful survival is about operational continuity and market validation, organisational learning and financial resilience. It is important for incubators and accelerators to monitor survival quality, including whether ventures have paying customers, active products, stable teams, subsequent funding rounds or repeatable sales processes after the programme (Schwartz, 2013; Leitão et al., 2022).

The India's incubation and acceleration ecosystem needs to be more research focused. Further research is required on the longer-term performance of incubated and accelerated startups, particularly on the performance of supported versus unsupported startups. Sector differences, gender differences, regional disparities, social enterprise outcomes, deep-tech commercialisation timelines and public versus private support models should also be looked at as evidence. This would enable policymakers and ecosystem managers to make more informed decisions regarding programme design, funding and accountability, and move away from making broad claims about support for startups (Hausberg & Korreck, 2020; Xiao & Watson, 2019).

5. Conclusion and Recommendations

Business incubators and accelerators play a crucial role in India's startup ecosystem as they address the challenges of resource constraints, network limitations, credibility issues, and market uncertainties faced by

early-stage startups. They provide startup survival by offering infrastructure, mentoring, business development services, legitimacy, knowledge resources, and funding and market connections. They help with scaling by building up founder learning, product-market fit, investor viability, leadership skills, strategic alliances, and ecosystem integration. They contribute at a venture level and ecosystem level (Goswami et al., 2018; Hallen et al., 2020).

The review reveals that incubators and accelerators are not a panacea for start-up failures. Their effectiveness is contingent on programme quality, sector fit, mentor capacity, selection process, founder absorptive capacity, financial access and ecosystem factors. Programmes that are generic with limited mentorship and follow-up may yield limited results, while specialised programmes with extensive networks can have a greater impact on survival and scaling. This validates the fact that the number of incubators or accelerators developed is less important than the quality of support (Bergek & Norrman, 2008; Schwartz, 2013).

The first recommendation for India is the strengthening of outcome-based performance measure. Incubators and accelerators should monitor post-graduation survival, revenue growth, funds raised, jobs created, customers won, patents commercialised, market growth, and inclusion outcomes. These indicators should be measured over time and across programme types to understand what is effective, for whom and under which conditions (Rathore & Agrawal, 2021; Leitão et al., 2022).

Secondly, sector specialisation should be enhanced by incubators and accelerators. India needs customized support systems for its digital startups, manufacturing startups, agritech startups, climate tech startups, health-tech startups, biotechnology startups, deep tech startups, social startups, and startups with women entrepreneurs. Mentoring, sectoral laboratories, sectoral expertise, market linkages and investor networks are likely to ensure better survival and scaling up results (Cohen et al., 2019; Wright et al., 2017).

Thirdly, it is necessary to enhance the technology commercialisation capacity of universities and research institutions. This means professional management of incubators, industry partnerships, technology transfer offices, intellectual property support, prototype funding, faculty incentives, student entrepreneurship pathways and connections to investors and public procurement. Instead of events, patents or the number of startups registered, the commercialisation and the venture outcomes should be considered to evaluate the university incubators (Mian, 1996; Rathore & Agrawal, 2021).

Fourthly, India needs to strengthen regional and inclusive incubation. The high quality support should be extended to Tier 2 and Tier 3 cities, rural innovators, women entrepreneurs, social entrepreneurs, and first generation entrepreneurs. Inclusion is not about only being physically present within the incubator, but about accessible mentorship, flexible programme design, local networks, language-sensitive support, seed funding and market connections! This is crucial for startups to become a force for inclusive growth and not just remain in top-tier urban hubs (Atal Innovation Mission, 2024; Welter et al., 2017).

Fifth, incubators and accelerators need to offer support after the programme. The most critical problems that many startups encounter come after graduation when they have to find customers, manage cash flow, hire staff, follow laws and seek a subsequent round of financing. Long-term survival and scaling benefit from alumni networks, mentoring after the initial incubation period, introduction to investors, corporate pilots, and market access support (Bruneel et al., 2012; Hallen et al., 2020).

The bottom line is that while business incubators and accelerators have the potential to impact startup survival and scale in India, they need to be designed and implemented based on evidence. These are most effective when they are interwoven and collectively contribute to the characteristics of ventures, such as combining resources, mentorship, networks, legitimacy, finance, technology support, and market access where needed. The next stage of incubation and acceleration for India should be to shift from scaling up support infrastructure towards measuring results, enhancing service quality, regional coverage, sector

specialisation, and increasing coordination of the ecosystem. This change will help incubators and accelerators to play a better part in innovation, employment, entrepreneurship and sustainable economic development (Press Information Bureau, 2026; Startup India, 2026).

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