

## The Role of Business Incubators in the Success of Innovative Projects ( PRESTO Innovative Project as a Model)

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### Abstract

Business incubators are considered one of the most important mechanisms that have proven high efficiency in supporting startups and innovative projects for their development and success; they provide various types of support (financial, human, monetary, technological, etc.) ensuring that these projects overcome their reasons for failure and overcome obstacles to their continuity and development. Innovators carrying these projects have demonstrated the ability to contribute to economic development in many countries worldwide; they possess distinctive features compared to large-sized companies, with innovation being a key characteristic. this research aims to define the concepts of business incubators, their types, characteristics, and objectives; additionally, it highlights the concepts of innovative projects and those hosted by the innoest incubator; the research seeks to identify the mechanisms and strategies employed in the incubation process, delving into the detailed aspects of success achieved in the innovative project presto.

**Keywords** :Entrepreneurial education; business incubators; entrepreneurial mindset; innovative projects, innoest.

**Jel Classification Codes** : M21 ; M13

## 1. INTRODUCTION

Many countries have shifted focus from large enterprises to startups and innovative projects due to their pivotal role in driving economic, social, and human development. Business incubators have emerged as a key support mechanism for these ventures, offering comprehensive assistance in administration, consulting, marketing, and other services to enhance their success and sustainability. By addressing the high failure rates experienced by small and new projects, business incubators play a vital role in overcoming initial challenges. In a dynamic and challenging business environment, innovative projects face fierce competition and limitations in resources, necessitating dedicated support systems for their success; therefore we pose the following question: **What is the role of business incubators in the success of innovative projects?**

To answer the main question, we formulated the following sub-questions:

- What is the concept, types and services of business incubators?
- What is the concept and types of innovative projects?
- What are the most important innovative projects incubated by INNOEST COMPANY business incubators?
- How did the PRESTO innovative project face the market after exiting the incubator?

**Importance of the Topic:** The significance of the topic lies in its:

- Introduction to Business Incubators
- Defining the Importance of Business Incubators in Supporting and Succeeding Innovative Projects
- Introducing Innovative Projects and Their Most Important Types
- Introduction to ENNOEST COMPANY Business Incubator

Introduction to the Innovative Project PRESTO

**Study Objectives:** The study aims to:

- Understand business incubators, including their origin and concept.
- Explore the services provided by business incubators to innovative projects.
- Recognize the importance of development for innovative projects.
- Investigate the contribution of business incubators to economic development.
- Examine the role played by business incubators in helping innovative projects overcome initial stages through the provision of services such as accommodation, guidance, training, consultations, reception, and direction. This ultimately reduces common risks and enhances their chances of success.

**Study Methodology:** Given the nature of the research topic, a descriptive methodology is adopted; This involves describing the phenomenon under study (the role of business incubators in the success of innovative projects) and analyzing all elements related to it.

## **2. BUSINESS INCUBATORS AND THEIR KEY SERVICES:**

Business incubators are considered modern mechanisms that play a prominent role in supporting and developing innovative startup projects. We will attempt to address some of the concepts and terms related to them, as well as identifying their most important types.

### **2.1 Genesis and Concept of Business Incubators**

Business incubators provide a stimulating and supportive environment for innovative startup projects. These entities serve as the cornerstone for individuals looking to turn their creative ideas into successful practical realities.

**2.1.1 Genesis of Business Incubators:** The emergence of business incubators initially occurred in advanced industrialized countries worldwide. The first business incubator was established in Batavia city, New York, in 1959, marking the inception of this concept. This idea gained momentum in the United States in the early 1980s before spreading to Germany, Britain, and France. It further expanded to East Asian countries such as Japan and South Korea and later reached various nations including Turkey, India, and some Arab countries (**ben khadija, 2017, p. 211**)

**2.1.2 Definition of Business Incubators:** There are several definitions that have been provided to clarify the concept of business incubators. Notable among them are the following:

- **Definition1:** Business incubators are defined as a comprehensive package of services, facilities, and support mechanisms provided by an established institution with experience and connections for a specific period. This aims to assist entrepreneurs who aspire to initiate small enterprises, alleviating the burdens of the startup phase (**boukemiche & yousfait, 2012, p. 31**)

- **Definition2:** The National Business Incubation Association (**NBIA**) defines business incubators as tools for economic development designed to accelerate and ensure the success of entrepreneurial ventures through an organized set of resources, services, and business support. The primary goal of business incubators is to produce successful entities that leave the program financially capable of growth and sustainability. (**almasrati, 2019, p. 248**)

- **Definition3:** The Algerian legislator defined them as public institutions with an industrial and commercial character, possessing legal personality and financial independence (**azzeddine & yahia, 2019, p. 04**).

Reviewing the previous definitions, it can be said that business incubators are integrated systems of activities managed according to specialized administrative structures that carry strategic visions supported by scientific and practical expertise. They work to ensure the success of innovative projects and startups.

## **2.2. Some Terms Related to Business Incubators:**

**2.2.1 Entrepreneurial Thinking:** Entrepreneurial thinking can be considered an extension of higher education activity due to their intersection in presenting successful alternatives to society through innovation, creativity, and renewal. Entrepreneurial thinking is the mindset that leads individuals to take initiatives and challenges to become a key player in their personal and professional future, associated with various entrepreneurial capabilities or characteristics (zaidi & bachir, 2021, p. 05) .

**2.2.2 Entrepreneurial Spirit:** Entrepreneurial spirit, as defined by some, requires renewing opportunities and gathering various necessary resources to transform them into an enterprise. It is a concept linked to initiative, activity, and experimentation with anything new or doing things differently because individuals with entrepreneurial spirit have the potential for change (sallami, 2012, p. 03) .

## **2.3 Types of Business Incubators:**

### **• First Classification:**

- **Public Business Incubators:** These incubators serve many businesses without specific specialization, but they focus on areas of renewal and innovation.
- **Specialized Business Incubators:** It specifically aims to develop certain economic aspects of the region where it is located, either through industrial restructuring or by promoting specific industries therein.
- **Technology Business Incubators** It specializes in technology and its dissemination, as well as the development of specialized facilities and entities associated with it.

**• Second Classification:** Divided into several types (kelakhi & seid , 2016, p. 225) :

- **Primary Incubators:** Attracting foreign capital.
- **Regional Incubators:** Investing in human resources or a specific segment of society.
- **Industrial Incubators:** Facilitating exchanges with a focus on technical and knowledge support.
- **Sector-Specific Incubators:** Serving a specialized sector such as software or engineering industries.

- **Technology Incubators:** Providing advanced designs for new non-traditional products with advanced devices.
- **Research Incubators:** Developing academic research and ideas.
- **Virtual Incubators:** Serving various sectors through information network adoption.
- **Internet Incubators:** Assisting startups in the internet and software field.
- **Third Classification:** Divided into (sulaiman artima, 2012, p. 21) :
  - **First-Generation Incubators:** Supporting knowledge-based institutions with strong ties to universities and institutes, often referred to as fundamental technology incubators.
  - **Second-Generation Incubators:** Supporting institutions with entrepreneurial, industrial, and food activities by research and technical study centers. They have strong ties to local communities, chambers of commerce, etc., and are called traditional base incubators.
  - **Third-Generation Incubators:** Providing support to all small enterprises through consultancy services, technical courses, known as renewal center incubators.

## **2.4 Role and Services of Business Incubators in Supporting Projects**

The primary goal of business incubators is to provide incubation services for innovative projects and startups.

### **2.4.1 The main tasks of business incubators : (rifai, 2016, p. 16)**

the main tasks of business incubators can be summarized as follows:

- Empowering a new generation of entrepreneurs by assisting them in launching their new ventures.
- Supporting projects of new startups in all economic sectors, especially during their critical initial stages.
- Providing all necessary support to create a successful environment for starting businesses.
- Developing human resources to enable new companies to meet the needs of management, financing, accounting, technology, and marketing during the establishment phase.

### **2.4.2 Business Incubation Services for Project Owners**

Business incubators offer a wide range of services to support and develop innovative projects and startups. The most important of these services can be outlined as follows:

### **2.4.3 Administrative and Consultative Services (nahar al-azzam, 2009, p. 30)**

Guiding incubated institutions administratively and preparing them for market entry and competition.

- Establishing connections with institutions and entities to create links and provide assistance.
- Providing programs for the development of small and medium-sized enterprises.
- Offering consultations regarding economic and technical feasibility studies.
- Legal consultations regarding project establishment.
- Providing consultancy services on the possibility of obtaining necessary equipment.

#### **2.4.4. Financial and Accounting Services: (issa & el-arbi, 2019, p. 277)**

- Work on providing assistance for obtaining financial loans with low-interest rates.
- Ensure the availability of funds.
- Establish communications and collaborate with financial entities such as banks to reduce the required guarantees.
- Assist in estimating the investment cost of the project.
- Empower project owners to prepare budgets and invoices.
- Train and attempt to develop institutions financially and accounting-wise.
- Assist in understanding accounting rules and procedures.

### **3. INNOVATIVE PROJECTS**

Innovative projects serve as the intersection between creativity and technology; they are a fundamental driver for progress and sustainable development as they transform ideas into tangible reality. There are several concepts and terms related to innovative projects, including:

#### **3.1 Concepts about Innovative Projects**

##### **• Definition of Innovation:**

- Joseph Schumpeter (**ghiyat & bougamoum, 2009, p. 10**) defined innovation as the result of creating a new method or approach in production, as well as a change in all components of the product or how it is designed.
- Innovation is the process of developing and studying an idea, then implementing it. (**sulaiman artima, 2012, p. 43**)
- According to the Oslo Manual issued by the Organisation for Economic Co-operation and Development (OECD) in 2018, innovation is defined as: "A new or improved product, process, or a combination thereof, that differs significantly from previous products or processes and that has been made available to potential customers (the product) or used by the company (the processes)." (**chaabna & ben chikhe, 2023, p. 99**)

• **Definition of Innovative Project:** It is a strategic plan that involves the creation of new ideas, products, or services, encompassing development in fields such as education, technology, business models, environment, and more (**alguaryouti , 2013, p. 35**) innovations are inherent in human evolution, and for this reason, innovative projects are initiatives where knowledge, skills, and technologies are applied to meet new technological, economic, social, and cultural needs.

### 3.2 Some Terms Related to Innovative Projects

- **Entrepreneurship:** The innovation of new ideas, whether for providing distinct services or more advanced and efficient new products, directly connects us to entrepreneurship. It is a French-origin term (entrepreneurship), referring to a person who embarks on establishing a business based on creative, innovative ideas and methods that involve risk-taking and partial capital (**thamer & bahi, 2021, p. 05**).
- **Creativity:** This term is attributed to the Austrian economist Joseph Schumpeter since 1912, who is considered the pioneer of the concept of innovation. He defined it as the result of creating a new method or approach in production, as well as a change in all components of the product or how it is designed (**ben antar, 2008, p. 148**).

### 3.3 Types of Innovative Projects

Visit the site: <https://www.researchgate.net/publication/301565913>

A classification for innovative projects according to the thinker (EPPINGER) has been developed as follows:

- **Incremental Innovation:** When a company aims to enhance an existing product for an existing customer.
- **Evolutionary Innovation:** When a company seeks to improve an existing product and introduce it to a new customer.
- **Revolutionary Innovation:** When a company aims to create a completely new product for a new customer.

### 3.4 Innovative Project from Idea to Implementation

#### 3.4.1 Stages of the Innovation Process (**rekonen & tuua, 2016, p. 06**)

Clear differences exist within the innovation process, with some studies distinguishing between various innovation stages. The term "innovation" refers to the process of transforming opportunities into successfully applied and disseminated new ideas ; this process encompasses diverse activities such as invention, design, manufacturing, marketing, distribution, and product support; while innovations involve varied, competitive, and conflicting processes simultaneously, they can generally be categorized into three main stages: the Front-End stage, the Development stage, and the Marketing stage.

In the first stage (Front-End), the focus is on developing the idea itself. This period, from idea creation to its approval for development or termination, is characterized by ambiguity, uncertainty, and unpredictability as ideas evolve into concepts. Concerning the second stage (Development), the emphasis shifts to developing these concepts into final products. The Development stage typically involves a series of stages where the idea is processed and evaluated, characterized by high formality and routine work. Issues of speed and timing play a crucial role. The third stage (Marketing) is a result of the preceding two stages.

Given these fundamental differences in the nature of the stages of the innovation process, it becomes clear that a different management approach is required within innovative projects. Many management approaches applied in the new product development stage may not be applicable to the Front-End stage and vice versa. In this context, creativity may be a central factor in developing a solution but is considered less critical when transforming these solutions into practical applications.

### **3.4.2 How Ideas Transform into Innovative Projects:**

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- Making the Idea Tangible: Ideas must be tangible (create a prototype); the reason ideas rarely see the light is that they often remain in the mind of the innovator. Give your idea a name and a face. If you want to be innovative, learn how to make things visible.
- Developing a Prototype (Testing the Idea in Reality) and gathering feedback, especially regarding interaction with the idea. Visit the website: <https://ae.linkedin.com/pulseyahya-sayed-omar>

Innovation begins with ideas, then, through diligent efforts, transforms into real-world projects. These projects contribute to addressing many global health, social, and educational problems, alleviating their severe impacts; there are several criteria that govern the success of innovators and innovative projects, including:

- Application of Modern Technology Techniques: Aligning with the requirements of the modern era.
- Community Engagement: Since innovation fundamentally aims to serve the community, it should allow everyone to express their views, evaluate the project, and contribute their future insights.
- Replicability: The more an innovation can be implemented in multiple areas within a community or in other countries, the more local and international attention it garners, increasing funding opportunities in various regions.



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- Partnering and Collaboration: Collaborating with non-traditional partners or individuals with diverse expertise to bring in new ideas and innovative directions.
- Adopting a Flexible Approach: Embracing a flexible approach that allows continuous adaptation to changes and innovation.

#### **4.THE ROLE OF THE BUSINESS INCUBATOR ENNOEST COMPANY IN THE SUCCESS OF THE INNOVATIVE PROJECT PRESTO.**

Given that business incubators provide one of the most important types of support designed to assist innovative idea owners in establishing new projects of various kinds and aiding them in their growth, we will attempt to delve into the INNOEST COMPANY Business Incubator, emphasizing its role in nurturing and creating new business projects, supporting existing projects, and most importantly, ensuring the success of innovative projects.

##### **4.1 Innoest Company Business Incubator**

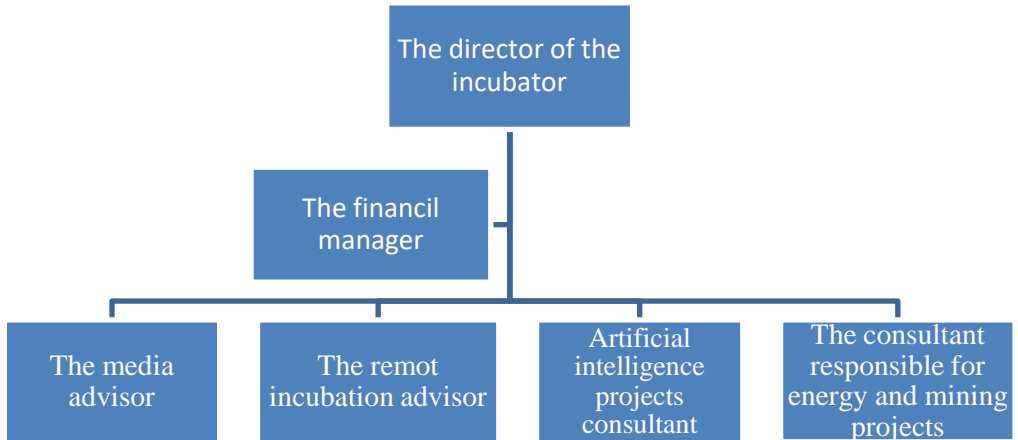
###### **4.1.1 Definition of Innoest Company Business Incubator**

By virtue of Presidential Decree No. 20-163 dated: June 23, 2020, and Executive Decree No. 20-206 dated: October 15, 2020, and Executive Decree No. 20-254 dated: September 15, 2020, and the decision dated November 2, 2020, and based on the discussions of the National Committee for Granting the Startup, Innovative Project, and Business Incubator Labels, during the meeting held on March 9, 2021, the Business Incubator label was granted valid for five years, renewable, to sarl innoest company, bearing tax identification number 002112058488865, headquartered in Tebessa City. This incubator represents an important place for supporting and financing entrepreneurs and ambitious youth seeking to develop innovative projects. They collaborate with this incubator to obtain the necessary support and supervision to ensure the success of their projects.

###### **4.1.2 Organizational Structure of Innoest Company**

Innoest Company, the first business incubator in the eastern region of Algeria located in the city of Tebessa, has its headquarters equipped with a large hall furnished with modern media devices. It also has a workshop hall for projects, a meeting room, a classroom for teaching innovative project owners and startups, an office for the management and finance director, and an office for the program director of the incubator. Additionally, there is a diverse library containing 220 books on accounting and law.

**Figure (01):** Represents the organizational structure of Innoest Company incubator.



**Source:** Prepared by researchers based on official documents provided by the director of the incubator.

#### **4.1.3 Key Services Offered by Innoest Company to Innovative Projects**

After startups or innovative projects obtain the label (Innovative Project Label or Startup Label), the incubator prepares training programs for the owners of these institutions and innovative project holders, amounting to 192 hours. This training includes marketing, finance, public procurement, and human resource studies. Additionally, the following services are provided:

- **Incubation Services:** Customized support and supervision are provided to innovative project holders throughout their development stages, allowing them to access knowledge and experience that helps them grow their projects.
- **Co-working Spaces:** The incubator offers shared workspaces where incubated institutions and projects can work and interact with each other. This collaborative environment fosters cooperation and idea exchange among project owners.
- **Workspace Equipment:** In some cases, the incubator can provide shared workspace equipment or technological resources.
- **Support in Events:** The incubator plays an important role in organizing and supporting events and activities held by innovative youth.
- **Administrative Support:** The incubator provides administrative support to projects to address administrative and paperwork matters related to their operations.

#### **4.1.4 Innovative Projects Incubated at Innoest Company (2021 – 2023):**

A total of 38 innovative projects were accepted to be incubated and benefit from the services of the incubator. We will discuss some of them through the following table:

**Table (01):** Some of the institutions awarded the Innovative Project Label (2021 – 2023)

Nb	Specialization	Project label	Project Owner	Innovative Project
01	Transportation	Presto	- Khemaisia kamal eddine	An application for selling food supplies and delivering them to customers
02	Technology	Smartbinx	- Bouziane okba	Smart waste container
03	Agriculture	Farpan	- Allague farid	Recycling palm fronds to produce wooden panels
04	Agriculture	Kimial	- Getiche ahmed	Producing ethanol from corn residue
05	Transportation	Rapi-bus	- Chaweche adlane	An electronic application for booking bus transportation tickets.
06	Agriculture	Nutrisect	- Meafa chouki	Producing animal feed protein alternative through black soldier fly farming.

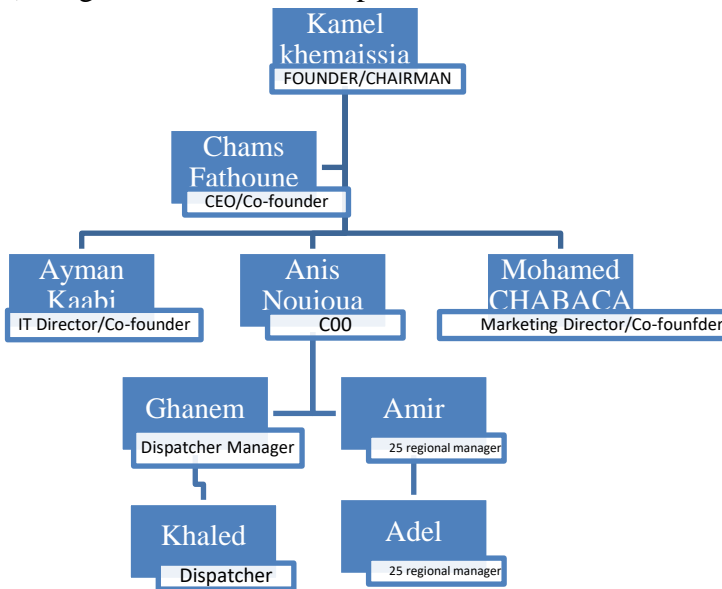
**Source:** Prepared by researchers based on reports from the program director and the financial manager.

From the table, we observe that the agriculture sector tops the sectors in terms of the number of labels, followed by the transportation sector. Finally, we find the technology industry sector, attributed to the prevailing economic environment in the region.

#### 4.2 Presto Project:

### 4.2.1 Definition to the Presto Project

- **Name:** presto, a Latin word meaning amazing service.
- **Presto:** It is the first "super app" in Algeria with multiple uses, founded in 2021 to meet the lifestyle of modern, busy consumers. This innovative system combines convenience and efficiency by providing essential services. It began as an idea in 2019 during the covid-19 pandemic, where the concept emerged to eliminate and reduce overcrowding and congestion, especially in stores and restaurants, adhering to the social distancing policy. presto, as an application or program installed on mobile and fixed devices, allows customers to order any food or grocery items through the app, delivering the order to their doorstep in a short time without any hassle. This is the essence of the presto idea.
- **Figure (02):** Organizational Chart of presto



**Source:** Presented by the project manager, Khemaisia Kamal.

### 4.2.2 Presto Services During the Covid-19 Pandemic

The founders of the PRESTO project offered numerous promotions and advertisements to customers under the title "Presto: Online Grocery Shopping and Delivery," especially during the Covid-19 pandemic, and received a wide response. The key highlights of these advertisements included:

- User Interface/User Experience Design: Our application is user-friendly and welcoming for all ages.
- Ability to control the shopping cart before checkout, unlike traditional supermarkets.

- Precise customer location identification using Google Maps' Global Positioning System.
- SMS authentication codes to verify the customer's phone number before delivery, reducing fraudulent transactions.
- Grocery shopping consumes a lot of time and can be exhausting for some people.
- Enclosed spaces are conducive to the spread of the covid-19 virus.
- Most stores do not accept payment via TPAY cards.
- Grocery shopping is a significant part of people's lives worldwide.
- With partial closures due to the covid-19 pandemic, online grocery delivery apps seem like the best solution.
- Avoid contact with people to protect your and your family's health from the covid-19 virus, and have the delivered groceries sanitized.
- Know the prices and total of all your purchases in your shopping cart, unlike in other stores.
- Deliver groceries to the customer's location using the Global Positioning System for faster service, at the customer's chosen time.

**4.2.3 Business Model Canvas for the Presto Project (2021 - 2023)**

Based on what the project manager provided us, we have prepared the following explanatory table:

**Table(02):** Illustrates the Business Model Canvas for the Presto Project (2021 - 2023)

<b>Business Model Canvas for the PRESTO Project (2021 - 2023)</b>		
Key resources	Key activities	Key partners
<ul style="list-style-type: none"> <li>• Goods</li> <li>• Warehouse</li> <li>• Vans</li> <li>• Human resources</li> <li>• Application technology</li> <li>• Marketing budget</li> </ul>	<ul style="list-style-type: none"> <li>• Creation of the technological infrastructure of the application.</li> <li>• Managing the partnership with the market and customer services</li> </ul>	<ul style="list-style-type: none"> <li>•Suppliers of food products, cleaning products, hygiene, and cosmetics.</li> <li>•App developers and programmers.</li> <li>•Delivery vans.</li> <li>•Customer services</li> </ul>
Distribution channels	Customer relations	Offers
<ul style="list-style-type: none"> <li>• Social media</li> <li>• Website</li> <li>• Mobile app</li> </ul>	<ul style="list-style-type: none"> <li>• Loyalty card</li> <li>• Points system</li> <li>• Exceptional offers</li> <li>• Customer services</li> </ul>	<ul style="list-style-type: none"> <li>•To make the grocery store more practical and more efficient for customers</li> </ul>

		<ul style="list-style-type: none"> <li>•Delivery within two hours</li> <li>•Efficient online payment</li> <li>•Cheaper product and more sales</li> </ul>
Income	Costs	Customer segment
<ul style="list-style-type: none"> <li>• Sale of goods</li> <li>• Shipping cost</li> <li>• Sponsored content</li> </ul>	<ul style="list-style-type: none"> <li>• Developer/app and ux design salaries</li> <li>• Storage and logistics costs</li> <li>• Product acquisition costs</li> <li>• Hardware and software expenses</li> </ul>	<ul style="list-style-type: none"> <li>• Consumers in the city of Tebessa needing consumer products</li> <li>• Ages</li> <li>• Student housing</li> <li>• Who hates shopping</li> <li>• Who does not own a car</li> <li>• Who live far from stores</li> </ul>

**Source:** Prepared by the researchers based on information provided by the project owner (Khemaisia Kamal Eddine)

#### 4.2.4 Pros and Cons Faced by the New Innovative Project Presto

According to statements made by project managers and directors after their departure from the Innoest Company business incubator, we have compiled the following table illustrating the pros and cons encountered by the project in the market and fieldwork.

**Table(03):** Illustrates the Presto Project's Pros and Cons in the Local Market

The Presto Innovative Project 2021 - 2023	
The advantages in the local market	The obstacles in the local market
<ul style="list-style-type: none"> <li>• Presto offers a wide range of products.</li> <li>• Presto provides discounts and vouchers on various purchases to boost sales.</li> <li>• Low-cost business model.</li> <li>• Expertise: Understanding in the retail business.</li> <li>• The retail grocery market is the largest market in Algeria.</li> </ul>	<ul style="list-style-type: none"> <li>• Unknown technical challenges.</li> <li>• Completion cycle challenges.</li> <li>• Consumers may prefer the in-store shopping experience.</li> <li>• Order cancellations may occur due to product depletion.</li> <li>• Distinguished grocery stores may start implementing similar programs.</li> </ul>

<ul style="list-style-type: none"> <li>• Low cost and easy expansion into other markets.</li> <li>• Many cities are still uncovered by such projects, and Presto can target them and gain a competitive advantage.</li> <li>• Strength and speed of servers.</li> <li>• Information security.</li> <li>• Workplace safety.</li> <li>• Health and safety regulations.</li> <li>• Economic growth.</li> <li>• Decrease in unemployment rate.</li> <li>• Algerian consumers are price-sensitive and seek value for money.</li> <li>• Improvement in internet infrastructure.</li> <li>• Increase in e-commerce and electronic payments.</li> </ul>	<ul style="list-style-type: none"> <li>• Difficulty retaining customers as they tend to switch to competing distribution outlets.</li> <li>• Weather conditions may cause temporary delivery delays.</li> <li>• Epidemics have a significant impact.</li> <li>• Trade restrictions.</li> </ul>
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**Source:** Compiled by the researchers after interviewing the project managers.

#### **4.2.5 The Innovative Project Presto and the Local Market**

The managers of the innovative project Presto addressed the local market through a social and economic perspective, elucidating the following points:

- Algerian middle-income households spend approximately 10,000 DZD monthly on grocery purchases and other household products.
- Tébessa city comprises around 100,000 households.
- The opening of two new residential projects in Boulhaf and Doukan together provides over 11,000 apartment homes without supermarkets, and most residents lack cars to travel to the city for their purchases. This presents a significant opportunity for us to capture this market.
- 1% of this market equals 1,000,000 DZD in monthly sales, with a 5% profit margin resulting in 500,000 DZD.
- Anticipating an average of 2,000 DZD per purchase equals 5,000 deliveries, with a delivery fee of 100 DZD, resulting in 500,000 dzd profit.
- Total monthly revenue is 1,000,000 DZD after excluding expenses.
- The goal is to capture 2-3% of the local market by the end of 2023.
- With expansion into larger cities, this will be a highly profitable endeavor with proper marketing, dedication, and belief in this nascent business.

- Excellent examples of similar projects to PRESTO are BIGBASKET and GROFERS in India, both highly successful operations, as well as INSTACART and KROGER in North America.

#### **4.2.6 PRESTO Investments (2021-2023)**

- **During the period: 0 - 1 year**

- Investment: 500,000 DZD
- Further development of the application.
- Increasing the options of items.

- **During the period from 1 to 3 years**

- Investment: 50,000,000 DZD.
- Expanding operations to major cities.
- Developing a franchise business model for these markets and becoming their main supplier.
- Adding additional services to the application.

- **During the period from 3 to 5 years**

- Investment: 200,000,000 DZD.
- Expansion nationwide.
- Becoming a leading brand in retail.
- Exporting operations to other markets such as Tunisia, Libya, France, and Canada where Algerian communities exist and selling products made in Algeria in those markets.

#### **4.2.7 The most important offers of the innovative project PRESTO**

- **PRESTO offers with MIGA PIZZA establishment**

The owners of the innovative project PRESTO presented offers to the MIGA PIZZA establishment, as outlined in the following points:

- **Our mission/vision:**

Expansion at the national level. Creating a strategy based on the localization of your sales points will allow us to offer you the following services optimally:

- Order management for all sales points (traceability - database).
- Sales (increase in sales).
- Customer service (with dedicated customer support; 24/7 assistance).

- **Our ultimate delivery partner offer:**

- Managing all delivery operations and couriers.
- We propose to manage delivery in all Mega Pizza branches:
- Constantine, Bumerdes, Algiers, Annaba, Souk Ahras, Blida, Skikda, Tebessa, and many more.

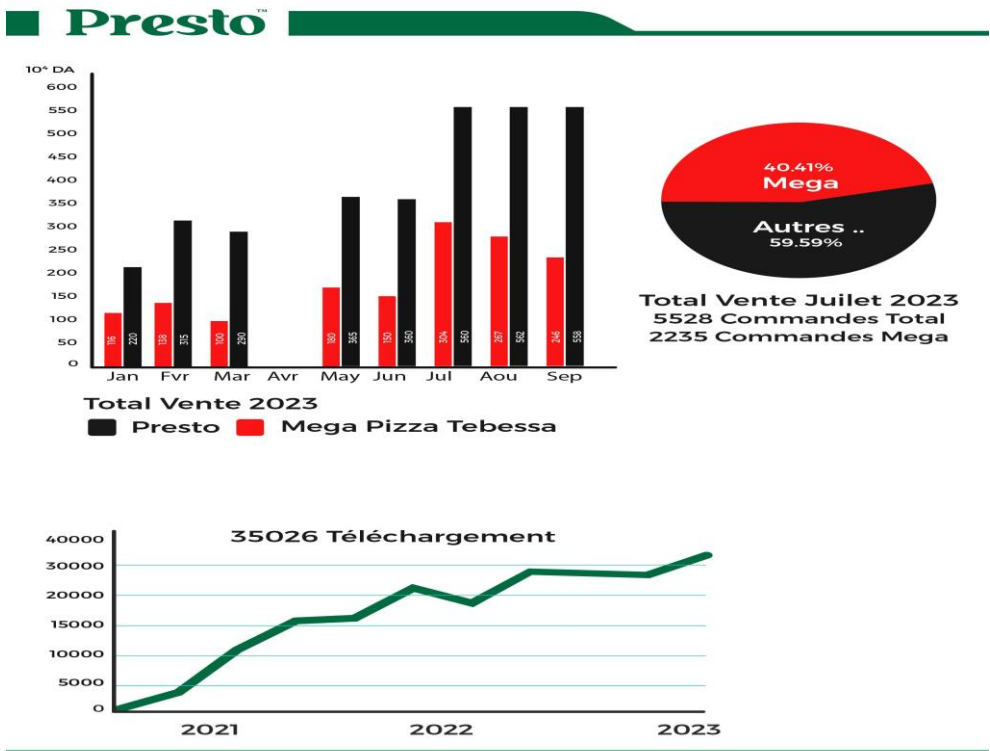
- **Commerce/sales:**



- We will utilize Facebook pixels and the latest Google technologies to increase sales.
- **Marketing:**
  - We will utilize data, and also launch a large offline marketing campaign, focusing on Presto and Mega Pizza.
- **IT:**
  - Our team of experts in IT and digital marketing will always be at your service for any software assistance or intervention, including the design of custom software for Mega Pizza, if you desire.

**Figure (02): A graph illustrating PRESTO's offer for dealing with the MIGA PIZZA establishment.**

**Source:** Compiled by the researchers after interviewing the project managers.



**Source:** Compiled by the researchers after interviewing the project managers.

We notice that the curve of downloading the PRESTO application by customers shows an ascending trend. The number of downloads reached 10,000 downloads in 2020, 20,000 downloads in 2022, and 35,026 downloads in 2023; as for the number of sales, it increases when Miga Pizza adopts the innovative project Presto. In July, the number of sales reached 2235, and it would reach 5528 if the Presto project is adopted.

## **5. CONCLUSION**

Through this study, we examined the role of business incubators in the success of innovative projects in Algeria. As a model, we considered the perspectives of the manager of Innoest Company business incubators and the perspectives of the owners of the Presto innovative project, in terms of success and contribution to income generation and job creation in the local market.

### **• Results:**

- Business incubators have positive impacts on early-stage innovative projects.
- Researchers emphasize the importance of studying the role of business incubators and the value they add to incubated projects.
- Business incubators provide numerous benefits that support the growth of incubated innovative projects.
- Unlike projects that were not supported by incubators, those that received support did not achieve the expected success because they lacked the guidance, support, and education on how to conduct business in markets.

### **• Recommendations:**

- Projects incubated and supported by business incubators experience more growth and development compared to non-incubated projects, according to many economists. Campbell, in some of his studies, indicated that one out of every seven projects entering business incubators benefited from their services, while the rest continued their operations in the market.

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