Giant Tech Acquisitions Report

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Introduction:

In the ever-evolving landscape of business strategies, mergers and acquisitions (M&A) stand out as key drivers of market influence and growth. Within this realm, the tech acquisition has emerged as a dynamic strategy, wherein a company strategically acquires another to access cutting-edge technological assets, innovative products, skilled talent, or established customer bases.

A tech acquisition, often referred to simply as a "tech deal," is a specialized form of business transaction where one company procures another with a primary focus on acquiring advanced technological capabilities. Unlike traditional M&A, the tech acquisition emphasizes the infusion of pioneering tech assets and expertise into the acquiring company's operations.

This report studies a dataset covering tech mergers from around the world and leverages this information to provide noteworthy insights and actionable recommendations.

Executive Summary:

Project Objective:

The objective of this project is to develop a comprehensive acquisition strategy that leverages key insights and recommendations from the provided data to enhance a company's global presence, acquisition effectiveness, and market diversification.

Key Insights:

- The United States stands out globally for its numerous acquisitions followed by Japan and Sweden.
- The same 36 Big Tech have acquired 1155 companies across the globe overtime.
- Google has acquired the most companies; Cisco Systems have made the most acquisitions and HP has the highest acquisition expenditure.

Immediate Future Actions:

- Companies looking to expand their market presence should consider establishing a strategic presence in United States, Japan, Sweden, Ghana and Singapore whichever is in their region.
- Newer Companies should have a well-planned acquisition strategy to compete with earlier companies. They should incorporate a wider range of market categories due to the growing market diversity trend.

About the Dataset:

The open-source dataset is taken from **Kaggle**:

https://www.kaggle.com/datasets/joebeachcapital/technology-mergers-and-acquisitions

The dataset comprises information **sourced from CrunchBase** about **36 prominent Tech Giants**, including Google, Apple, HP, and others. This information encompasses details regarding which company acquired whom, the acquisition years, the count of acquisitions, and the acquisition prices.

Data Wrangling:

The csv data file was extracted using **Microsoft Excel**. The Data Wrangling operations were performed using **Power Query** in Microsoft Excel. Some of the performed operations were:

- Header Promotion
- Removal of Duplicates
- Filtering Columns
- Correcting Data Types

Data Transformation:

Data Transformation was done by using **Power Query** and Pivot tables were made using **Power Pivot** in **Microsoft Excel**. Some of the performed operations were:

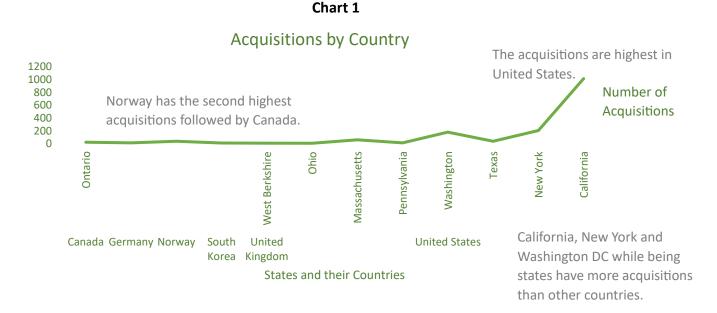
- Removal of Irrelevant Columns
- Splitting Columns
- Addition of calculated columns for further comparisons
- Creation of specific pivot tables for analysis and visualizations

Data Visualizations and Insights:

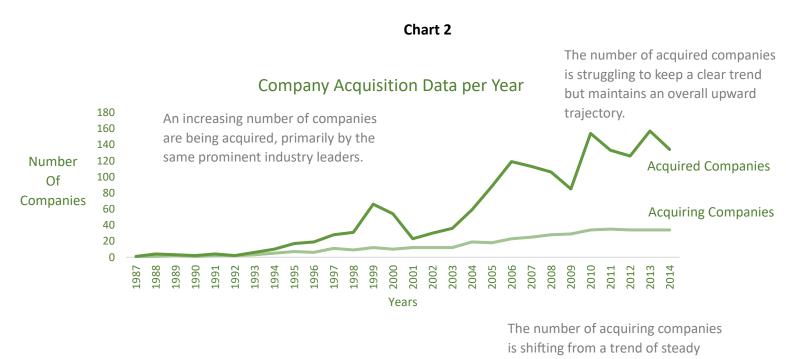
The initial charts were produced using **Microsoft Excel**. For a more thorough analysis, three dashboards were created using **Microsoft Power BI**, featuring various visualizations. These interactive dashboards were designed to allow users to personalize their experience. Each visualization was made with a specific objective in mind. The most useful visualizations and dashboards containing the obtained insights are detailed below.

Charts:

1. The first visualization is showing the total number of acquisitions by country.



2. This visualization is showing number of acquired and acquiring companies over time.

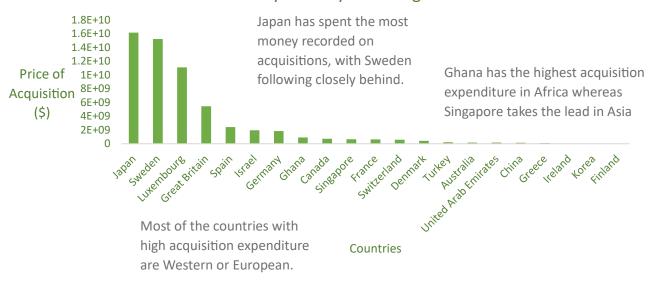


growth to a consistent pattern.

3. This visualization illustrates the total acquisition costs by country, with the exclusion of the United States due to its significantly higher value, which has been omitted for better comparison.

Chart 3

Total Price By Country Excluding United States



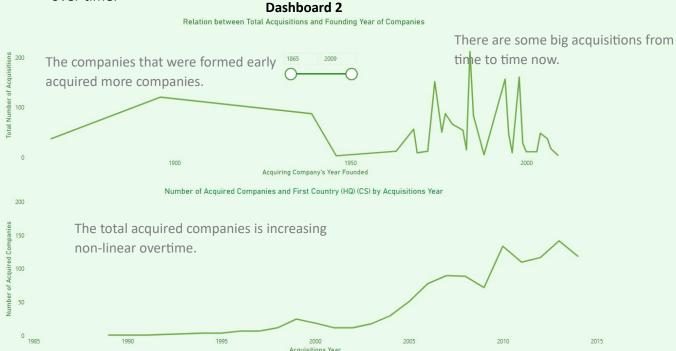
Dashboards:

1. The first dashboard visualizes the data set in the form of a decomposition diagram and a map.



The dataset is taken from companies spread throughout the world.

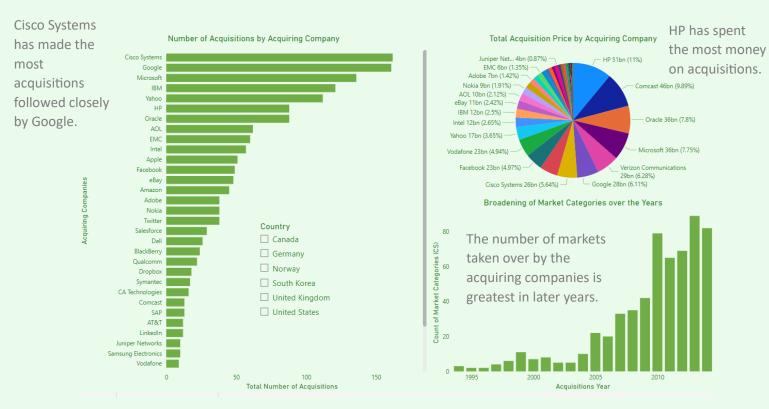
2. The second dashboard displays both the quantity of company acquisitions along with their respective founding years along with the number of acquired companies over time.



The biggest dip in acquired companies is around the time of the 2007-08 Financial Crisis.

3. The third dashboard presents information about the quantity of acquisitions, the overall cost, and the extent of market diversification achieved by the acquiring companies.

Dashboard 3



Analysis Conclusions:

- 1. The United States stands out globally for its numerous acquisitions, with states such as California, New York, and Washington DC even surpassing entire countries in their acquisition activities. (Chart 1)
- 2. Beyond the USA, Japan leads in acquisition spending, closely trailed by Sweden. In Africa, Ghana takes the lead in acquisition expenditures, while Singapore leads in Asia. (Chart 3)
- 3. Over time, the same 36 major tech giants continue to expand their acquisitions, with Google taking the lead by acquiring the highest number of companies. Their acquisitions are spread throughout the globe, totaling more than 1155 companies. (Chart 2, Dashboard 1)
- 4. Early-formed companies tend to acquire a majority of today's businesses, although more recent companies also make significant acquisitions from time to time.

 (Dashboard 2)
- 5. Cisco Systems have made the greatest number of acquisitions whereas HP has the highest expenditure on acquisitions. (Dashboard 3)
- 6. The landscape of acquiring companies is becoming increasingly diverse as they incorporate a broader range of market categories into their operational framework. (Dashboard 3)

Considerations to keep in mind:

- The dataset is not inclusive of all the details regarding all corporate acquisitions. As a result, the accuracy of this information is confined to the scope of the provided dataset.
- 2. Apart from the big 36 tech companies, there exist additional global tech giants involved in acquiring companies on a global scale.

Recommendations:

- 1. Recognizing the United States leadership in acquisitions, companies looking to expand their market presence should consider establishing a strategic presence in states like California, New York, and Washington DC.
- 2. Beyond the USA, organizations should focus their acquisition efforts in line with regional trends. Japan, Sweden, Ghana and Singapore can be great regional options.
- 3. To balance the market domination of early formed organizations, companies formed more recently can create a dynamic strategy that incorporates well-timed and substantial acquisitions to rapidly gain market share and strengthen their position.
- 4. Acknowledging the growing diversity in the acquisition landscape, companies should actively seek opportunities to incorporate a wider range of market categories into their infrastructure which will lead them to explore new revenue streams and innovative business models.