

Strategy #23: Vertical integration

Covered in this section:

Doing it all yourself

- All products go through a value chain
- Every segment is usually handled by a different company
- Vertical integration means all the segments are done by the same company
- Synergy = putting two things together and creating a value that is more than the sum of the initial elements (it adds an extra benefit)
- Example: online courses
 - you can either have different people for each segment, or do it all in one place
- Example: card shop
 - if you do it all yourself, you have more advantages
 - you can make personalized designs and deliver them faster
 - you have more flexibility