

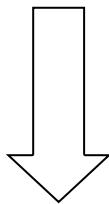
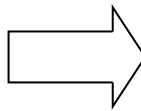
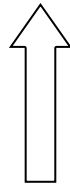
# TYPES OF MERGER

## Backwards Vertical Coffee Bean Co.

Starbucks coffee would join with the Coffee Bean Co, because they need coffee beans in large quantities and merging with the company enables them to get a cheaper price for their coffee beans, because they are getting them direct from the source and it safeguard them against price increases due to seasonality because they are in charge. The money they save on coffee beans will enable them to spend the money for other benefits.



EXAMPLE



## Horizontal Costa Coffee

This will enable Starbucks to increase their market share, because Costa coffee, sell a different variety of products, they can also share space/stores, and will have a bigger business, with a bigger profit, also they are eliminating this competition in the coffee market.



## Conglomerate (Diversification)

### Bosch

Starbucks coffee would join with Bosch because they can minimise advertising costs, and will have a guaranteed source of income if one part of the business is making loss, also they could, star bucks could provide a service for Bosch production staff, and Bosch could provide a service to Star bucks to fix and install all their equipment, on both sides this



## Forward Vertical TESCO

Starbucks joining with TESCO gives them guaranteed retail of their coffee.

