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Motives of technological acquisitions: Case study of Things Solver and Asseco SEE

Motivi tehnoloških akvizicija: Studija slučaja kompanija Things Solver i Asseco SEE

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Abstract

The aim of the paper is to analyze the motives for technological acquisitions from the standpoint of the companies involved: technology start-ups and acquiring companies. The paper explains intensive technological acquisitions in the last few years, both in the world and in the Republic of Serbia. The paper uses the case study method, while collecting both primary and secondary data. The primary data was collected by interviewing the founder and CEO of the acquired company. The research results show that the key motives of the technology start-up are the inflow of capital, access to the acquiring company's infrastructure, market expansion and increase in the customer base, as well as the management professionalization. The research results also show that the key motives of the acquiring company are to take over the talent, expertise, technology of the target company, improve innovation, as well as strengthen the company's competitive position.

Keywords: *technological acquisitions, start-up, acquiring company, acquired company, motives of acquisitions.*

Sažetak

Cilj rada je da analizira motive realizacije tehnoloških akvizicija iz perspektive uključenih kompanija: tehnoloških startap kompanija i kompanija kupaca. U radu je pažnja posvećena i objašnjavanju intenzivne aktivnosti tehnoloških akvizicija poslednjih nekoliko godina, kao u svetu, tako i u Republici Srbiji. U radu je primenjen metod studije slučaja, uz prikupljanje kako primarnih, tako i sekundarnih podataka. Primarni podaci prikupljeni su intervjuisanjem osnivača i izvršnog direktora preuzete kompanije. Rezultati istraživanja su pokazali da su ključni motivi tehnološke startap kompanije priliv kapitala, pristup infrastrukturi kompanije kupca, ekspanzija tržišta i povećanje baze kupaca, kao i profesionalizacija menadžmenta. Rezultati istraživanja su takođe pokazali da su ključni motivi kompanije kupca preuzimanje talenata, ekspertize, tehnologije ciljne kompanije, unapređenje inovativnosti, kao i jačanje konkurentske pozicije kompanije.

Ključne reči*: tehnološke akvizicije,* startap kompanija, *kompanija kupac, preuzeta kompanija, motivi akvizicija.*

1. Introduction

The pace of technological growth recorded in recent years is extraordinary. Technological knowledge is becoming extremely important for achieving competitive advantage and, besides relying on internal research and development, companies also focus on external sources of knowledge and technology (Caviggioli et al., 2017). As a result, the technology sector has become one of the most attractive sectors for acquisitions. New technologies and trends, including artificial intelligence and Big Data, encourage acquiring companies to acquire innovative technology start-ups, thus intensifying a specific type of acquisition, the so-called technological acquisitions. Regardless of the fact that the COVID-19 pandemic, especially in 2020, slowed down acquisitions in a large number of industries, technological acquisitions recorded strong growth (Kooli and Lock Son, 2021), both in the world and in the Republic of Serbia.

Given that technological acquisitions have only recently intensified, this subject is an important research area. Studies on technological acquisitions in the Republic of Serbia are very limited (Savović, 2022; Savović & Marković, 2022). These researches focused on effects of technological acquisitions on performance. In particular, no research into the motives of technological acquisitions in Republic of Serbia has previously been conducted, to

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the best of the author's knowledge. Hence, this study seeks to fill this research gap by focusing on the motives behind technological acquisitions. This research offers a unique understanding of motives of technological acquisitions in the transitional economy context of the Republic of Serbia. The main research question in the study is: What are the key motives for implementing technological acquisitions from the standpoint of a technology start-up as the acquired company and the acquiring company?

The paper is structured as follows. The first part focuses on theoretical considerations, pointing to the trend of intensive technological acquisitions, to proceed with motives for acquisitions from the standpoint of the companies involved. The second part describes the research methodology. The third part presents the research results. Finally, concluding remarks, theoretical and practical implications and future research directions are given.

2. Theoretical considerations

The latest trend: the intensification of technological acquisitions

Technology has been developing faster and faster for the past decade. Business during the last years has been done in Industry 4.0. Undoubtedly, Industry 4.0 has enabled companies to increase operational visibility, reduce operating cost, speed up production time, etc. At the end of 2021 entry into Industry 5.0 is being considered, and the COVID-19 pandemic has further contributed to these activities. While the Industry 4.0 focused on the use of technology to optimize the means of production, Industry 5.0 refers to the connection of man and machine – the cooperation between people and smart systems (Jovičić, 2022).

Globalization of the world economy has produced a highly competitive environment where a large number of companies believe that acquisitions are essential for their growth and competitive advantage (Chernenko et al., 2021). The need for digitization and artificial intelligence has increased the number of acquisitions in the technology sector. One of the main priorities of a large number of companies is to ensure proper digital transformation, since the changes made are not considered sufficient and adequate for survival in the next decade. Hence, acquisitions represent strategies that companies will use to accelerate the acquisition of skills and knowledge, as well as to increase the range of their technological capabilities. Technological acquisitions are acquisitions in which the acquiring company seeks to acquire knowledge, technical expertise, employee skills, as well as specific new technologies of the target company (Savović et al., 2021).

In a turbulent environment where survival and growth depend on speed, internal innovation is not enough to respond to the growing customers' needs. Companies can be very inert when it comes to change and learning, and rely on their established and repetitive routines to develop knowledge and resources. Organizational routines limit the internal development of new knowledge and innovations. Hence, the companies strive for new knowledge and resources, and one of the ways to get to knowledge and resources is technological acquisitions. Acquisitions of small, technology start-ups complement internal innovation, given rapid and frequent technological changes. The primary factor motivating a company to acquire small, technology-based businesses is not the inability to innovate internally, but the need to overcome the time diseconomies of internal innovation (Sears, 2018).

Acquisitions are known to occur in waves, meaning that there are periods of intense acquisitions (with an increase in the number and the value of acquisitions) and the period of slowdown (due to the crisis, market disturbances, lack of financial resources) (DePamphilis, 2019). The latest seventh wave of acquisitions is characterized by a significant increase in technological acquisitions. That is, the technological sector is becoming one of the most attractive sectors for acquisitions, since the number of takeovers of innovative fast-growing technology start-ups is increasing. According to Mazars (2022), technological acquisitions reached a record level, both in terms of number and value, in 2021. The total value of technological acquisitions in Central-Eastern Europe was 13.4 billion euros (three times higher than in the previous year), while the number of technological acquisitions increased by 91% compared to the previous year. In the Central and Eastern Europe, the first four countries in terms of M&A volume in 2021 were Poland (192 transactions), Russia (146 transactions), Austria (119 transactions) and the Czech Republic (86 transactions). The transactions of the highest value realized in the technology sector in the world in 2022 are presented in the Table 1. In 2022, the most valuable technological acquisition to date was realized: Microsoft's takeover of Activision Blizzard for $67 billion. Broadcom's $61 billion acquisition of VMware is the second-highest transaction in the technology sector.

In the Republic of Serbia, technological acquisitions are intensifying. The Table 2 presents the most significant technological acquisitions in the Republic of Serbia. International companies are dominantly involved in technological acquisitions, with companies from the USA being the most active when it comes to taking over domestic technology companies. Target technology companies in the Republic of Serbia are largely engaged in the creation of solutions for large companies, products that use artificial intelligence and work with Big Data, operate in the field of video gaming, software development, etc. (Kuzman et al., 2020). According to the research (Ivanović & Kurepa, 2023) more than half of the founders of start-ups in Serbia (58.7%) aim to build a profitable company, while 31.1% plan to sell their start-up (M&A), and 10.2% have the goal of going public (initial public offering – IPO).

The technological acquisition of the highest value in Serbia is the takeover of Nordeus, the gaming company, by Take-Two Interactive, the American software company (transaction value of 378 million dollars). Before this acquisition, the transaction of the highest value

in the technology sector in the Republic of Serbia was the takeover of Frame by Nutanix from the USA (transaction value of 165 million dollars). The takeover of Things Solver, which specializes in artificial intelligence and big data processing, by Asseco CEE from Poland is also significant.

Table 1. The most valuable technological acquisitions in 2022

Date	Acquiring companies	Acquired companies	Value of deals (in $)
January 18	Microsoft	Activision Blizzard	68,7 billion
May 26	Broadcom	VMware	61 billion
Jun 7	Oracle	Cerner	28 billion
January 31	Citrix	Vista Equity Partners and Evergreen Coast Capital	16,5 billion
Jun 23	Kaseya	Datto	6,2 billion
August 26	OpenText	Micro Focus	6 billion
March 8	Google	Mandiant	5,4 billion
Jul 21	Amazon	One Medical	$3.9 billion
January 31	Sony	Bungie	3,6 billion
March 28	HP	Poly	3,3 billion
April 5	AMD	Pensando	1,9 billion
May 5	Google	Raxium	1 billion
February 15	Akamai	Linode	900 million
March 3	Snouflake	Streamlit	800 million
January 5	Google	Simplify	500 million
March 19	Celonis	Process Analytics Factory	100 million
March 23	Apple	Credit Kudos	150 million

Source: Author according Trueman, C. (September, 2022), Noteworthy tech acquisitions 2022, Computerworld, https://www.computerworld.com/article/3646533/noteworthy-tech-acquisitions-2022.html

Table 2. Technological acquisitions in the Republic of Serbia

Year of acquistions	Acquiring companies	Country of origin of the acquiring companies	Acquired companies
2016	GoDaddy	USA	Devana Technologies
2018	Nutanix	USA	Frame
2019	Epic Games	USA	3Lateral
2019	Schneider Electric	France	DMS NS
2019	Playrix	Russia	Eipix
2020	HTEX	Serbia	Execom
2020	Endava	UK	Comtrade Group
2020	Embracer Group AB	Sweden	Mad Hat Games
2021	Asseco SEE	Poland	Things Solver
2021	Take two interactive software	USA	Nordeus
2021	ALSO Holding AG	Switzerland	PIN Computers
2022	EPAM Systems	US	Vivify
2022	Quantox	Serbia	Crowded Room Studio (CRS)

Source: Author

Motives of a technology start-up

Technology start-ups are companies that are "born to be global", i.e., companies that have a global vision since their founding and whose products and services have global market potential (Hennart et al., 2021). These companies operate in the high-tech industry and are rich in talent, engineers, experts and inventors. In the beginning, in the founding phase, talented individuals and know-how are the only things a young company has. Later on, in the phase of growth and resource accumulation, they most often join the network of large global players and learn from them, since the founders do not possess the necessary managerial skills. On average, they operate independently for 5 to 6 years, after which they face the problem of further accelerated growth, due to lack of financial resources. In this phase (exit phase), they have various alternatives, the most common of which are: attracting investments in the form of venture capital and joining a larger company through the acquisition process (Andersson and Xiao, 2016). Attracting investments in the form of venture capital means finding investors who are ready to invest in a start-up with a growth potential, in order to financially strengthen it, and who, after a few years, decide to leave it upon achieving high return on equity (Eldar et al., 2023). Joining a larger company through an acquisition process involves selling a majority stake to the acquiring company. When considering this alternative, a technology start-up should identify the strategic reasons for the acquisition. Many start-up companies face difficulties in financing their business. Problems in accessing external sources of financing are a major factor preventing small start-ups, especially technological ones, from achieving growth. Being taken over by a financially stronger company can be one way to secure funding as well as the continued development of a technology or an idea (Andersson and Xiao, 2016). From the standpoint of a technology start-up, selling to a larger technology company has an advantage over attracting venture capital due to the long-term nature of the relationship. The acquiring company, investing in a technology start-up and developing its products and

services, does not easily think about its sale in the future. Products and services of the acquired company become part of the acquiring company's portfolio with a long-term perspective. Another alternative, attracting investments in the form of venture capital, is less attractive, because the fate of the start-up is less certain, since the goal of the investors is to sell the company and make a profit based on the price difference. Table 3 shows key motives of acquired companies for joining a larger company through technological acquisition.

Table 3. Key motives of a technology start-up (acquired company)

Motives
– Capital inflow;
– Realization of synergy with complementary resources;
– Access to the acquiring company's infrastructure (access to new distribution channels);
– Market expansion; Rapid increase in customer base;
– Management professionalization.

Source: Adapted according to: Andersson and Xiao, 2016; Caviggioli et al. 2017; Dezi et al., 2018; Mortara and Ford, 2012.

Also, the company may conclude that its future success requires *synergies with complementary resources*. Synergistic effects can be realized during production, that is, the creation of new products and services, since the complementary knowledge of both companies is combined. Also, synergistic effects are expected in the sales phase, when joint sales of product portfolios save companies' sales costs.

Acquisition by a large company provides access to infrastructure, primarily developed distribution networks around the world. In this way, the technology start-up gains access to the world market, rapidly increasing the base of potential customers. Norbäck and Persson (2014) point out that a company that builds its business on a new technology (invention) has two options: (1) independent entry into the world market or (2) selling business to a larger company. The second option is more likely when a large company has a large market power and when the costs of independent operation are very high. These characteristics are particularly relevant to high-tech sectors dominated by multinational companies with established sales networks and abundant resources. This is consistent with Teece (1986) arguing that successful commercialization requires the support of complementary resources and capabilities, such as complementary technologies, marketing, production and distribution. Large multinational companies abound in these resources.

An additional reason that can encourage a technology start-up to join a large company is management professionalization. Start-ups have a small number of employees with a simple organizational structure where all employees perform all tasks. In this organizational structure, it is difficult to separate the work of the owner and professional management. The founders (who are also managers), in addition to management tasks, perform operational tasks. This prevents them from fully devoting themselves to management, which slows down the company's development. After the acquisition, by joining a larger acquiring company, a simple organizational structure is transformed into a functional one (departments of finance, administration, human resources are formed, which did not exist before). After the acquisition, the founders, i.e., managers can keep managerial positions (at lower levels, e.g., production manager), while the acquiring company brings an expert management team that will perform management tasks in order to achieve continuous development of the combined company.

Motives of the acquiring company

A multinational company that does its business all over the world and has a huge impact on the global economy often plays the role of the acquiring company. It is very recognizable on the market and is in a constant race for differentiation in order to maintain, if not improve, its market position and keep pace with technology. Acquisitions are often its natural way of growth, most often with the aim of enriching the innovative potential. Such companies have a large budget, and if they estimate that the acquisition of start-ups will help them overcome the gap between the existing and the desired state, they will pay a premium for the acquisition without any problem in anticipation of synergistic benefits. A review of literature reveals the existence of a large number of motives of the acquiring company to acquire a startup. These different motives can be classified into four categories (Table 4) (Mortara & Ford, 2012):

- Acquisition of technology and efforts to diversify technological capabilities;
- Higher efficiency;
- Enrichment of innovative potential;
- Response to the competitive environment.

Table 4. Motives of acquiring company

Motives	
Acquisition of technology and efforts to diversify technological capabilities	– Acquisition of new technology – Access to talent – Expending and adding product/service lines
Higher efficiency	– Reduction of development time – Reduction costs (economies of scope)
Enrichment of innovative potential	
Response to the competitive environment	– The company's ability to maintain competitiveness in a dynamic environment – Eliminating competition

Source: Adapted according to: Andersson and Xiao, 2016; Caviggioli et al. 2017; Dezi et al., 2018; Mortara and Ford, 2012.

One of the fundamental motives for the acquisition of technology start-ups is the acquisition of technology and the need to develop new technological capabilities in order to fill the gap in the knowledge base (Andersson and Xiao, 2016). This need may arise because technical expertise and capabilities are often difficult to obtain and companies may not have the capabilities or time to develop these knowledge-based resources internally. Instead of developing solutions on its own, planning

employment and training to develop internally and adopt new technological trends, the acquiring company can make a strategic decision to reinforce its resources through an existing technology start-up. In this way, the company acquires key technology, acquires creative individuals who possess key knowledge and competences and expands its product and/or service range.

Acquisitions of technology start-ups are seen as a way of shortening the development time of innovations, which puts the focus on *efficiency*. Internal development of new capabilities, products/services can be too slow and costly. Additionally, technology acquisitions can help achieve economies of scope by reducing average production and sales costs through synergies between complementary assets (Dezi et al., 2018, Fernandez et al., 2019). Economies of scope exist if the total costs of producing and selling several products of a multi-product company are lower than the sum of the costs of producing and selling the same products by individual companies that specialize in the production of each of those products (Sudarsanam, 2003). They arise because different knowledge bases are supplemented, enriched and create greater potential for learning and creating new knowledge. Also, using the distribution channels of the acquiring company reduces the total sales cost of the combined company.

Acquisitions can allow a company to improve its strategic flexibility. Higher internal technological capabilities can give the company more strategic options. Acquisitions can *encourage innovation*, counteracting inertia and rigidity and increasing the research and development capacity of a large company. Relying on incremental improvements to existing technologies can limit a company's potential. Experimenting with new and emerging technologies can bring more radical innovation. Certain innovation scholars (Sorensen and Stuart, 2000; Baumol, 2002) emphasize that start-ups and large companies have their respective advantages at different stages of the innovation process. Start-ups are successful in introducing radical innovations, while existing large companies have an advantage in producing incremental innovations. Large companies seek to acquire smaller innovative companies that have technological competencies or product ideas that are complementary to their own and/or expand their research base, boost their development and increase their technological resources. Companies pursue technological acquisitions to overcome the gap between the current state and what they would like to achieve in terms of innovation and performance (Cefis and Marsili, 2015).
A company's ability to maintain its competitiveness in a dynamic environment with rapid technological change is consequently related to its ability to create, modify and expand its technological resources (Teece et al., 1997). Companies are more likely to consider technology acquisitions in a hostile environment characterized by rapid technological change and rapidly changing market competition. Technological acquisitions help companies be less vulnerable and more competitive. In such an environment, they are more likely to enter into partnerships, collaborations and outsourcing as substitutes for internal activities (Mortara and Ford, 2012). Additionally, a company may seek to acquire a technology start-up in order to prevent a competitor from that.

The motives of the acquiring company and the potential consequences for the acquired start-up show that acquisitions can be win-win events, reflecting the technology transfer process. In fact, it could be argued that the takeover of start-ups by existing large companies is one way to realize the potential economy-wide effects of novelties brought by innovative participants (Andersson and Xiao, 2016).

3. Methodology

The empirical research relies on qualitative methodology. The qualitative methodology involves the collection of information from various sources and their interpretation in order to understand the issue under analysis. In order to answer the research questions, the paper uses the case study of the acquisition of Things Solver, the technology start-up, by Asseco SEE. The primary instrument for data collection is an interview with one of the founders of Things Solver. In addition to primary data, secondary data is used, taken from company websites or press reports. Research questions in the master thesis are:

1. What are key motives of acquired company (technology start-up) for implementing technological acquisitions?
2. What are key motives of acquiring company (multinational company) for implementing technological acquisitions?

4. Research results

Motives of the technology company Things Solver (acquired company)

Things Solver, an IT start-up in the field of artificial intelligence, was founded in 2015 and specializes in the field of Data Science and artificial intelligence. This company supports other companies in their decision-making systems and helps them with an in-depth analysis of their data in order to improve sales. It is a company that has had a global vision since the day it was founded and whose products have global market potential. Five years after its establishment, in 2020, it started thinking about joining a larger company. It started negotiations with a number of potential companies. After receiving offers and negotiations, it made an agreement with Asseco SEE. Asseco SEE is a Polish multinational software company, founded in 1991, resulting from the merger between Asset Soft AS and COMP Rzeszów SA. Today it is one of the largest corporations in the technology sector, listed on the Warsaw Stock Exchange. It operates in the field of production and application of its own software solutions and services.

Joining Asseco SEE has brought an inflow of significant investments in product development that will be integrated with Asseco SEE products. The owners of *Things Solver* could also think about attracting the so-called venture capital to strengthen it financially, i.e. investors who are ready to invest in the company and leave

it after a few years. However, the reason to cooperate with Asseco SEE is product investment and no plan to sell it so easily in the future, but to develop it and make it part of the Asseco SEE group's portfolio. Another alternative, attracting investments in the form of venture capital, was not attractive, because they believed that then their fate would be less certain, since the goal of such investors is to sell the company and make a profit based on the price difference. *"We are pleased that Asseco SEE recognized our five-year successful business and the potential for further growth. I believe that our joint work on products and services based on advanced analytics and data processing will provide added value for both companies,"* emphasized the interviewee, one of the founders of *Things Solver*.

By selling a majority stake to Asseco SEE, Things Solver sought to increase its presence on the global market, since the multinational Asseco SEE has a global presence and a developed distribution network. Asseco SEE sells software products and services in Southeast Europe and is among the 10 largest software vendors in Europe. By connecting with a larger, more developed and well-known company, Things Solver gets the opportunity to develop and grow faster. *"What the acquisition brought us was the speed of scaling towards new markets. These are the markets where the Asseco SEE is present and has partners. Those markets are now accessible to us. If we had relied on internal growth, we definitely wouldn't have been able to scale quickly. I think we hit the timing when to join a bigger company. If we hadn't done that, my assumption is that we would have grown, but not at the speed we have now and that we plan to achieve in the future"*.

An additional reason why *Things Solver* opted for acquisition is management professionalization. As it is a small company with a small number of employees, it has a simple organizational structure where it is difficult to separate the work of the owner and professional management. After joining Asseco SEE, *Things Solver*'s simple organizational structure transformed into a functional organizational structure to establish certain company departments (production, sales, human resources). The functional organizational structure of *Things Solver* was embedded in the divisional organizational structure of Asseco SEE (within which *Things Solver* represents one division). The founders, i.e., managers, after the acquisition, kept their managerial positions, but at lower levels, taking the positions of AI Director and Head of Product and Head of Delivery. Asseco SEE brings an expert management team that performs management tasks in order to achieve the continuous development of the combined company. While in the previous period, the founders, i.e., managers, in addition to management, had to perform executive tasks, after the acquisition they got fully dedicated to managerial tasks.

Motives of Asseco SEE (acquiring company)

Asseco SEE is a software company that bases its growth and development strategy on acquisitions. In the past, it has realized a large number of acquisitions, and in the future, they are planning new acquisitions. The founder of Things Solver points out that "*Acquisitions are in the Asseco SEE's DNA...that's how they came to Serbia, that's how they grew*." Acquisitions bring them the speed they want to achieve." The key motive behind the acquisition of Things Solver is access to talent and acquisition of knowledge in the field of artificial intelligence. Asseco SEE lacked expertise in artificial intelligence. The company was able to independently develop solutions in the field of artificial intelligence, by hiring and training new staff. However, the company believed that taking over an existing start-up allows for faster and more efficient access to the necessary knowledge.

In this way, the company acquired competencies that it did not have until now, expanded the product range, and introduced new business models. As Pjotr Jelenski, President of the Management Board of Asseco SEE, points out: "*As a company focused on following and exceeding market trends by broadening our offer of quality solutions through applying modern technologies and innovations, we are very pleased that Things Solver has become part of ASEE Group. With the new member of the Group, we will enable customers to achieve the best business value driven by data in an even better way by applying software solutions that enable deeper data insights, making predictive analysis and generating business recommendations, all of which results in a better understanding of customers, business potential and opportunities for growth*." (Things Solver, 2021).

The efficiency that Asseco SEE achieved in this way, by realizing the acquisition, is greater, because if it were to independently develop technological solutions based on artificial intelligence, the processes would take a long time and be expensive. Additionally, the competitive environment encouraged Asseco SEE to undertake an acquisition. Given that the high-tech industry is accompanied by great risks and uncertainties, in which the company's competitive position can be threatened, with this acquisition Asseco SEE strengthened its competitive position.

5. Conclusion

Achieving successful and sustainable growth is one of the key challenges for both large companies and small entrepreneurs. Companies that are born global have distinctive products and services that have global market potential and enter foreign markets very early. These small technology companies, rich in specific knowledge and abilities of talented individuals, over a certain period, usually several years after the establishment, face the problem of financing further growth. More intensive growth and presence on foreign markets often comes from larger companies through the process of acquisitions. The key motives of a technology start-up are the inflow of capital necessary for global growth, achieving synergy with complementary resources of the acquiring company, access to the infrastructure of the acquiring company, primarily distribution channels, market expansion, as well

as management professionalization. A multinational company that operates all over the world and has a huge impact on the global economy often plays the role of the acquiring company. One of the fundamental motives for taking over technology start-ups is the acquisition of technology and the need to develop new technological capabilities in order to enrich the innovative potential. This need may arise because technical expertise and capabilities are often difficult to obtain and companies may not have the capabilities or time to develop these knowledge-based resources internally. By acquiring technology companies rich in knowledge and expertise of talented employees, the company improves innovation and strengthens its competitive position.

The theoretical implications of the paper is that it expands the knowledge base on technological acquisitions, given that studies on this specific type of acquisitions are limited. Analyzing the acquisition of a technology start-up in the Republic of Serbia enabled a deeper analysis and a realistic understanding of the motives from the point of view of the companies involved, which is especially important when it comes to the early phase of researching a certain problem (Bengtsson and Larsson, 2012). The practical implications of this work are of interest to the founders of start-ups and managers established companies indicating that technology acquisitions can be a „win-win" event for both parties. The results of this study can also be of interest to the policy makers in terms of decision-making in relation to promoting and encouraging technology acquisitions.

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