Category

Strategy

Vertical Integration & Value Chain Control Strategy Playbook

Deciding what to own, what to control without owning, and what to leave to the market

- Executive
- Advanced
- Template Included

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- 4 minute(s)

Overview

A framework for evaluating vertical integration decisions — upstream or downstream — against genuine strategic and economic criteria, distinguishing ownership from control and avoiding integration decisions driven by anxiety rather than analysis.

Isn't vertical integration just a "make vs buy" decision?

Make vs buy is the tactical question. This playbook operates one level up — deciding which parts of the value chain are strategically important enough to warrant ownership or contractual control at all, before getting into the specific make-or-buy mechanics of each.

Can you get the benefits of vertical integration without owning the

asset? Often yes — through long-term contracts, joint ventures, minority investments, or exclusive partnerships that provide meaningful control without full ownership's capital cost and operational complexity. This playbook treats ownership as one option on a spectrum, not the default.

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