Startup Acquisition Analysis: A Comprehensive Study of Crunchbase Data

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2025-08-15

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Executive Summary

This analysis examines startup acquisition patterns using Crunchbase data. We investigate the relationships between company characteristics (funding, industry, age) and acquisition outcomes through descriptive statistics, hypothesis testing, mediation analysis, and predictive modeling.

Key Findings: - Acquired companies have significantly higher funding levels than non-acquired companies - Industry type mediates the relationship between company characteristics and acquisition likelihood - Funding amount, founding year, and industry are significant predictors of acquisition probability

Data Preparation and Setup

Library Loading

```
# Data manipulation and cleaning
library(dplyr)
library(janitor)
library(lubridate)
library(tidyr)
library(readxl)
library(here)

# Visualization
library(ggplot2)
library(gridExtra)

# Statistical analysis
library(car)
library(psych)
library(mediation)

# Reporting
library(knitr)
library(kableExtra)

# Set theme for consistent plotting
theme_set(theme_minimal() +
          theme(plot.title = element_text(hjust = 0.5, size = 14, face = "bold"),
                legend.position = "bottom"))
```

Data Loading

```
# Define file path - FIXED: Added missing file_path definition
file_path <- here("data", "crunchbase_data.xlsx")

# Check if file exists
if (!file.exists(file_path)) {
  stop("Data file not found. Please ensure crunchbase_data.xlsx is in the data/ direc
tory.")
}

# Load all sheets
df_companies <- read_excel(file_path, sheet = "Companies") %>% clean_names()
df_rounds <- read_excel(file_path, sheet = "Rounds") %>% clean_names()
df_acquisitions <- read_excel(file_path, sheet = "Acquisitions") %>% clean_names()
df_investments <- read_excel(file_path, sheet = "Investments") %>% clean_names()

cat("Dataset dimensions:\n")
```

```
## Dataset dimensions:
```

```
cat("Companies:", nrow(df_companies), "x", ncol(df_companies), "\n")
```

```
## Companies: 49438 x 18
```

```
cat("Rounds:", nrow(df_rounds), "x", ncol(df_rounds), "\n")
```

```
## Rounds: 83870 x 16
```

```
cat("Acquisitions:", nrow(df_acquisitions), "x", ncol(df_acquisitions), "\n")
```

```
## Acquisitions: 13070 x 22
```

```
cat("Investments:", nrow(df_investments), "x", ncol(df_investments), "\n")
```

```
## Investments: 114506 x 24
```

Data Processing and Feature Engineering

Funding Rounds Summary

```
rounds_summary <- df_rounds %>%
  filter(!is.na(company_name)) %>%
  mutate(
    raised_amount_usd = as.numeric(raised_amount_usd),
    funded_at = ymd(funded_at)
  ) %>%
  group_by(company_name) %>%
  summarise(
    num_rounds = n(),
    total_funding_usd = sum(raised_amount_usd, na.rm = TRUE),
    first_round = min(funded_at, na.rm = TRUE),
    last_round = max(funded_at, na.rm = TRUE),
    .groups = "drop"
  )

cat("Funding rounds processed for", nrow(rounds_summary), "companies\n")
```

```
## Funding rounds processed for 49345 companies
```

Acquisition Data Processing

```
acq_flag <- df_acquisitions %>%
  filter(!is.na(company_name)) %>%
  mutate(acquired_at = ymd(acquired_at)) %>%
  dplyr::select(company_name, acquired_at) %>%
  distinct(company_name, .keep_all = TRUE)

cat("Acquisition records processed for", nrow(acq_flag), "companies\n")
```

```
## Acquisition records processed for 12784 companies
```

Investor Summary

```
investor_summary <- df_investments %>%
  filter(!is.na(company_name)) %>%
  group_by(company_name) %>%
  summarise(
    num_unique_investors = n_distinct(investor_name),
    has_corporate_vc = any(investor_market == "Corporate Venture Capital", na.rm = TR
UE),
    .groups = "drop"
  )

cat("Investment data processed for", nrow(investor_summary), "companies\n")
```

```
## Investment data processed for 32285 companies
```

Master Dataset Creation

```
# Define analysis cutoff date
cutoff <- as.Date("2014-12-02")

companies_master <- df_companies %>%
  rename(company_name = name) %>%
  mutate(
    founded_at = ymd(founded_at),
    # Extract primary industry from category list
    industry = if_else(
      is.na(category_list) | category_list == "",
      NA_character_,
      trimws(gsub("^\\|?([^|]+)\\|?.*$", "\\1", category_list))
    ) %>% as.factor()
  ) %>%
  # Join all summary tables
  left_join(rounds_summary, by = "company_name") %>%
  left_join(acq_flag, by = "company_name") %>%
  left_join(investor_summary, by = "company_name") %>%
  # Create derived variables
  mutate(
    acquired = !is.na(acquired_at),
    total_funding_usd = coalesce(total_funding_usd, 0),
    num_rounds = coalesce(num_rounds, 0),
    num_unique_investors = coalesce(num_unique_investors, 0),
    has_corporate_vc = coalesce(has_corporate_vc, FALSE),
    # Time-to-event metrics
    acquired_flag = acquired == TRUE,
    end_date = if_else(acquired_flag, acquired_at, cutoff, missing = cutoff),
```

```
    time_to_event_days = as.numeric(end_date - founded_at),
    time_to_event_years = time_to_event_days / 365,
    # Transformed variables
    log_total_funding = log1p(total_funding_usd),
    company_age = as.numeric(cutoff - founded_at) / 365,
    founding_year = year(founded_at),
    # Group industries for analysis
    industry_grouped = case_when(
      industry %in% c("Advertising", "Marketing", "Brand Marketing") ~ "Marketing",
      industry %in% c("Biotechnology", "Health Care", "Medical Devices") ~ "Health",
      industry %in% c("Mobile", "Mobile Payments", "Mobile Games") ~ "Mobile",
      industry %in% c("Finance", "Financial Services", "Investment Management") ~ "Fi
nance",
      industry %in% c("Entertainment", "Music", "Games") ~ "Entertainment",
      TRUE ~ "Other"
    )
  ) %>%
  filter(!is.na(founded_at)) # Remove companies without founding dates

# Save master dataset - FIXED: Added error handling
tryCatch({
  write.csv(companies_master, here("data", "companies_master.csv"), row.names = FALS
E)
}, error = function(e) {
  warning("Could not save master dataset: ", e$message)
})

cat("Master dataset created with", nrow(companies_master), "companies and",
    ncol(companies_master), "variables\n")
```

```
## Master dataset created with 38486 companies and 35 variables
```

Data Quality Assessment

```
# Missing values analysis
missing_summary <- companies_master %>%
  summarise_all(~sum(is.na(.))) %>%
  gather(variable, missing_count) %>%
  mutate(missing_percent = round(missing_count / nrow(companies_master) * 100, 1)) %
>%
  filter(missing_count > 0) %>%
  arrange(desc(missing_count))

kable(missing_summary,
      caption = "Missing Values Summary",
      col.names = c("Variable", "Missing Count", "Missing %")) %>%
  kable_styling(bootstrap_options = "striped")
```

Missing Values Summary

Variable	Missing Count	Missing %
acquired_at	35415	92.0
state_code	13765	35.8
city	3470	9.0
country_code	3031	7.9
region	3031	7.9
homepage_url	2139	5.6
market	1982	5.1
category_list	1977	5.1
industry	1977	5.1
status	918	2.4
first_round	8	0.0
last_round	8	0.0
founded_month	4	0.0
founded_quarter	4	0.0

founded_year	4	0.0

```
# Key variable summary statistics - FIXED: Simplified approach
summary_data <- companies_master %>%
  dplyr::select(total_funding_usd, company_age, num_rounds, num_unique_investors, acq
uired) %>%
  select_if(is.numeric)

# Create summary statistics manually for better control
summary_stats <- data.frame(
  Variable = names(summary_data),
  Min = sapply(summary_data, min, na.rm = TRUE),
  Q1 = sapply(summary_data, quantile, 0.25, na.rm = TRUE),
  Median = sapply(summary_data, median, na.rm = TRUE),
  Mean = sapply(summary_data, mean, na.rm = TRUE),
  Q3 = sapply(summary_data, quantile, 0.75, na.rm = TRUE),
  Max = sapply(summary_data, max, na.rm = TRUE),
  row.names = NULL
)

kable(summary_stats,
      caption = "Summary Statistics for Key Variables",
      digits = 2) %>%
  kable_styling(bootstrap_options = "striped")
```

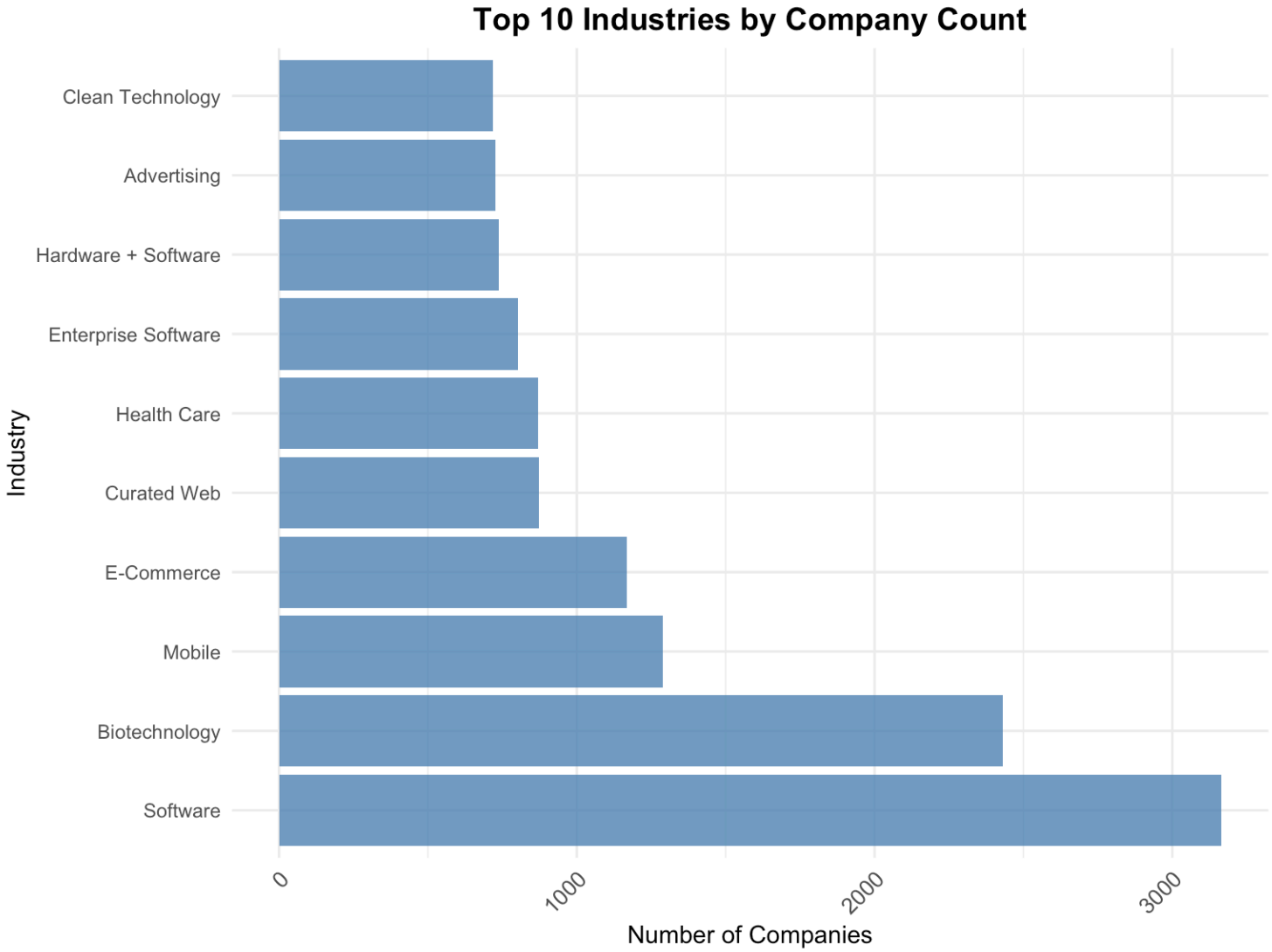
Summary Statistics for Key Variables

Variable	Min	Q1	Median	Mean	Q3	Max
total_funding_usd	0.00	65000.00	1008700.50	13914064.53	7.10e+06	3.00795e+10
company_age	-0.03	2.92	4.92	7.37	8.92e+00	1.14990e+02
num_rounds	0.00	1.00	1.00	1.80	2.00e+00	1.80000e+01
num_unique_investors	0.00	0.00	1.00	2.00	3.00e+00	5.00000e+01

Exploratory Data Analysis

Industry Analysis

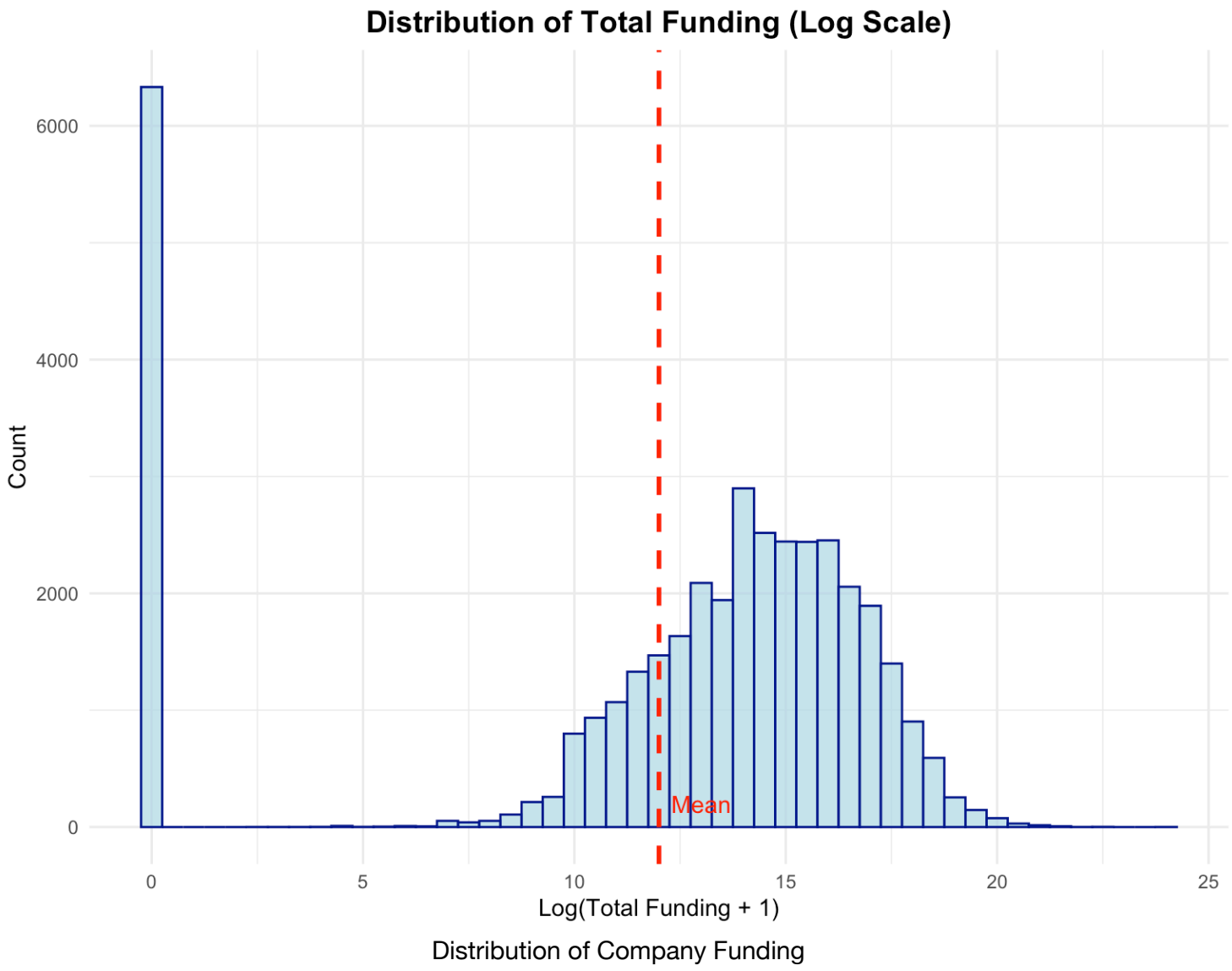
```
# Identify top industries
top_industries <- companies_master %>%
  filter(!is.na(industry)) %>%
  count(industry, sort = TRUE) %>%
  head(10) %>%
  pull(industry)

# Filter data for plotting
companies_plot <- companies_master %>%
  filter(industry %in% top_industries)

# Industry distribution plot
p_industry <- ggplot(companies_plot,
                     aes(x = reorder(industry, industry, function(x) -length(x)))) +
  geom_bar(fill = "steelblue", alpha = 0.8) +
  labs(title = "Top 10 Industries by Company Count",
       x = "Industry",
       y = "Number of Companies") +
  theme(axis.text.x = element_text(angle = 45, hjust = 1, size = 10)) +
  coord_flip()

print(p_industry)
```



Top 10 Industries by Company Count

Funding Distribution Analysis

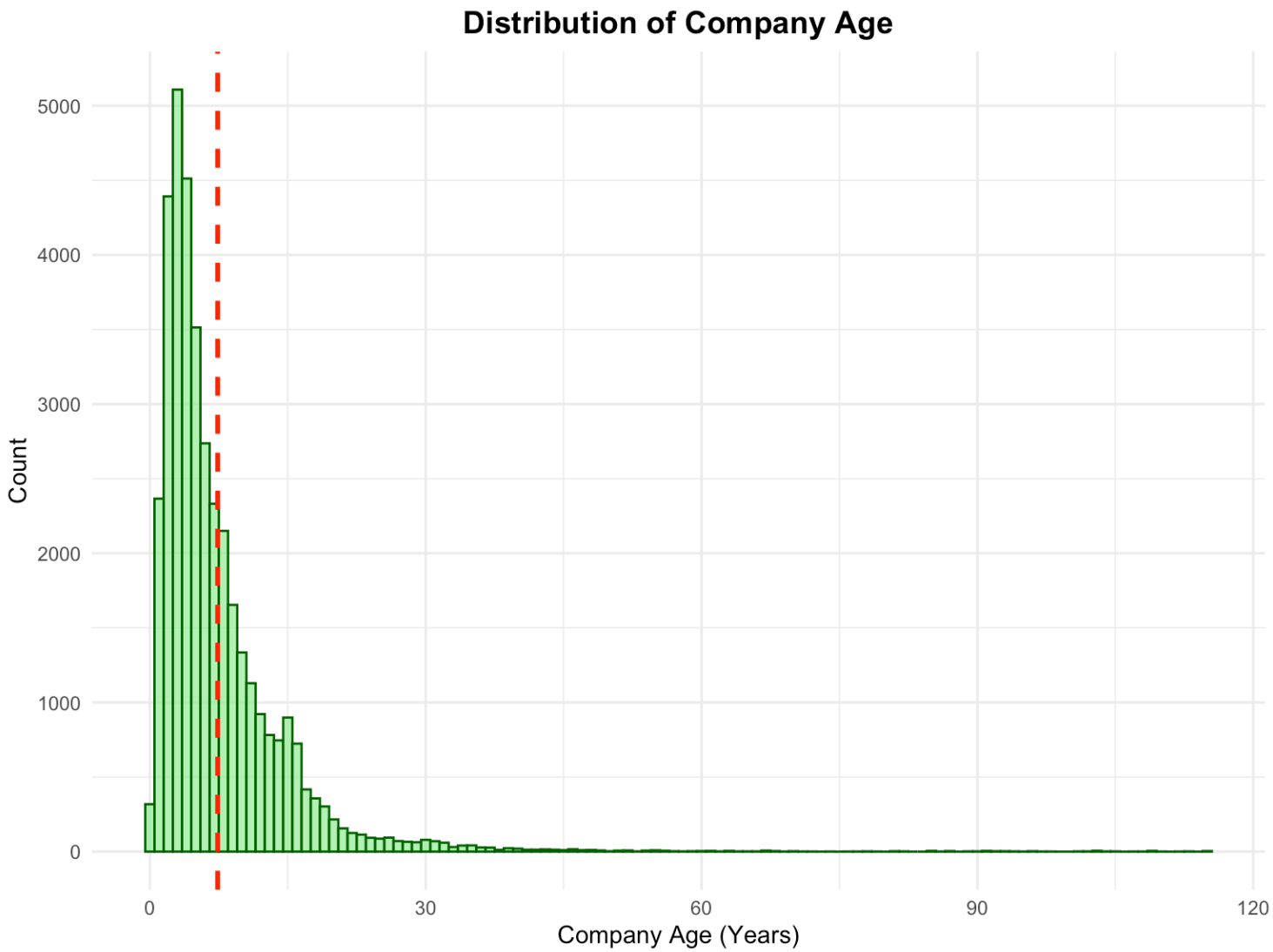
```
p1 <- ggplot(companies_master, aes(x = log_total_funding)) +
  geom_histogram(binwidth = 0.5, fill = "lightblue", color = "darkblue", alpha = 0.7)
+
  labs(title = "Distribution of Total Funding (Log Scale)",
       x = "Log(Total Funding + 1)", y = "Count") +
  geom_vline(aes(xintercept = mean(log_total_funding, na.rm = TRUE)),
             color = "red", linetype = "dashed", linewidth = 1) + # FIXED: size to li
newidth
  annotate("text", x = mean(companies_master$log_total_funding, na.rm = TRUE) + 1,
           y = 200, label = "Mean", color = "red")

print(p1)
```



Distribution of Company Funding

Company Age Analysis

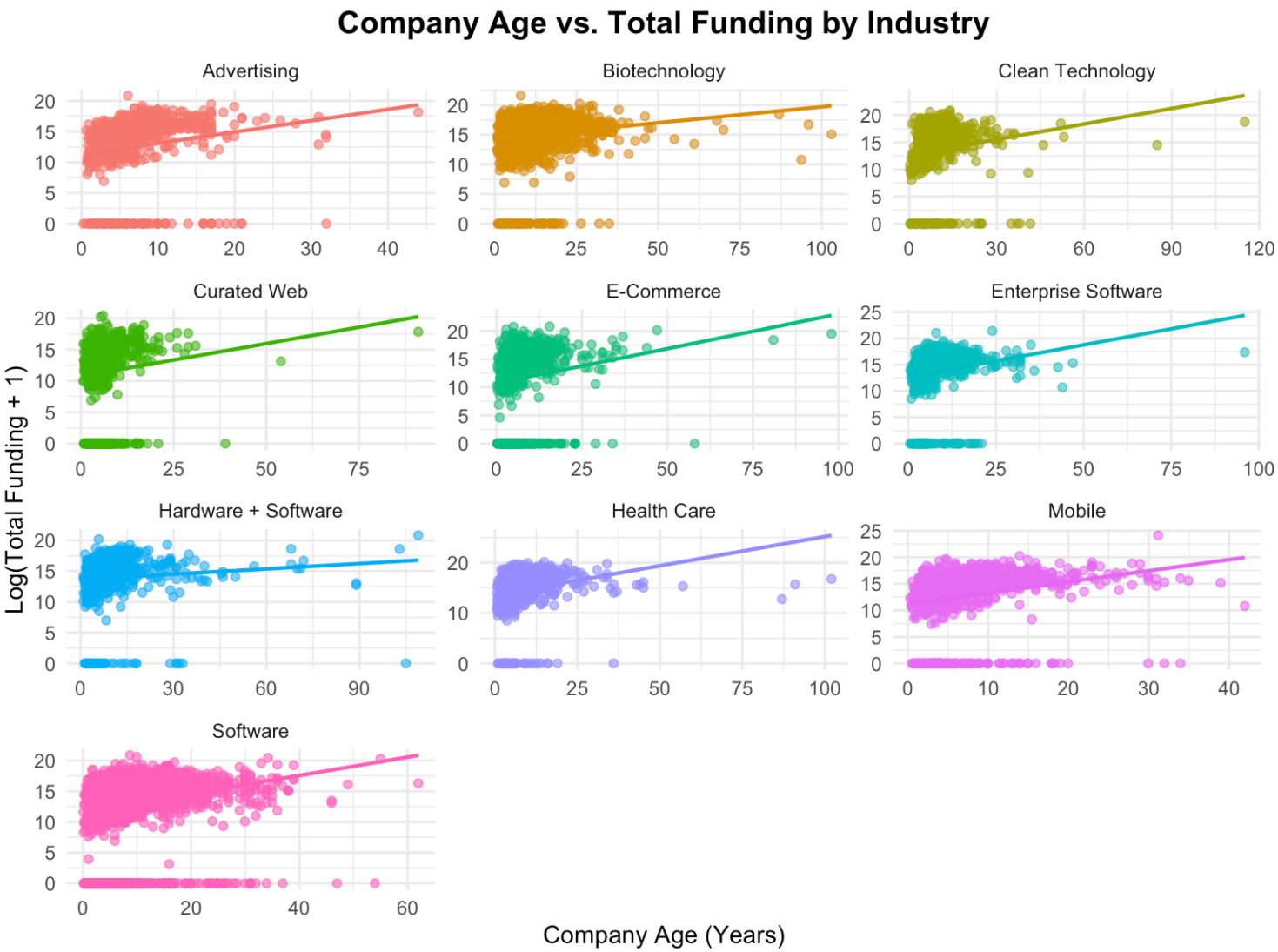
```
p2 <- ggplot(companies_master, aes(x = company_age)) +
  geom_histogram(binwidth = 1, fill = "lightgreen", color = "darkgreen", alpha = 0.7)
+
  labs(title = "Distribution of Company Age",
       x = "Company Age (Years)", y = "Count") +
  geom_vline(aes(xintercept = mean(company_age, na.rm = TRUE)),
             color = "red", linetype = "dashed", linewidth = 1) # FIXED: size to line
width

print(p2)
```



Distribution of Company Age at Cutoff Date

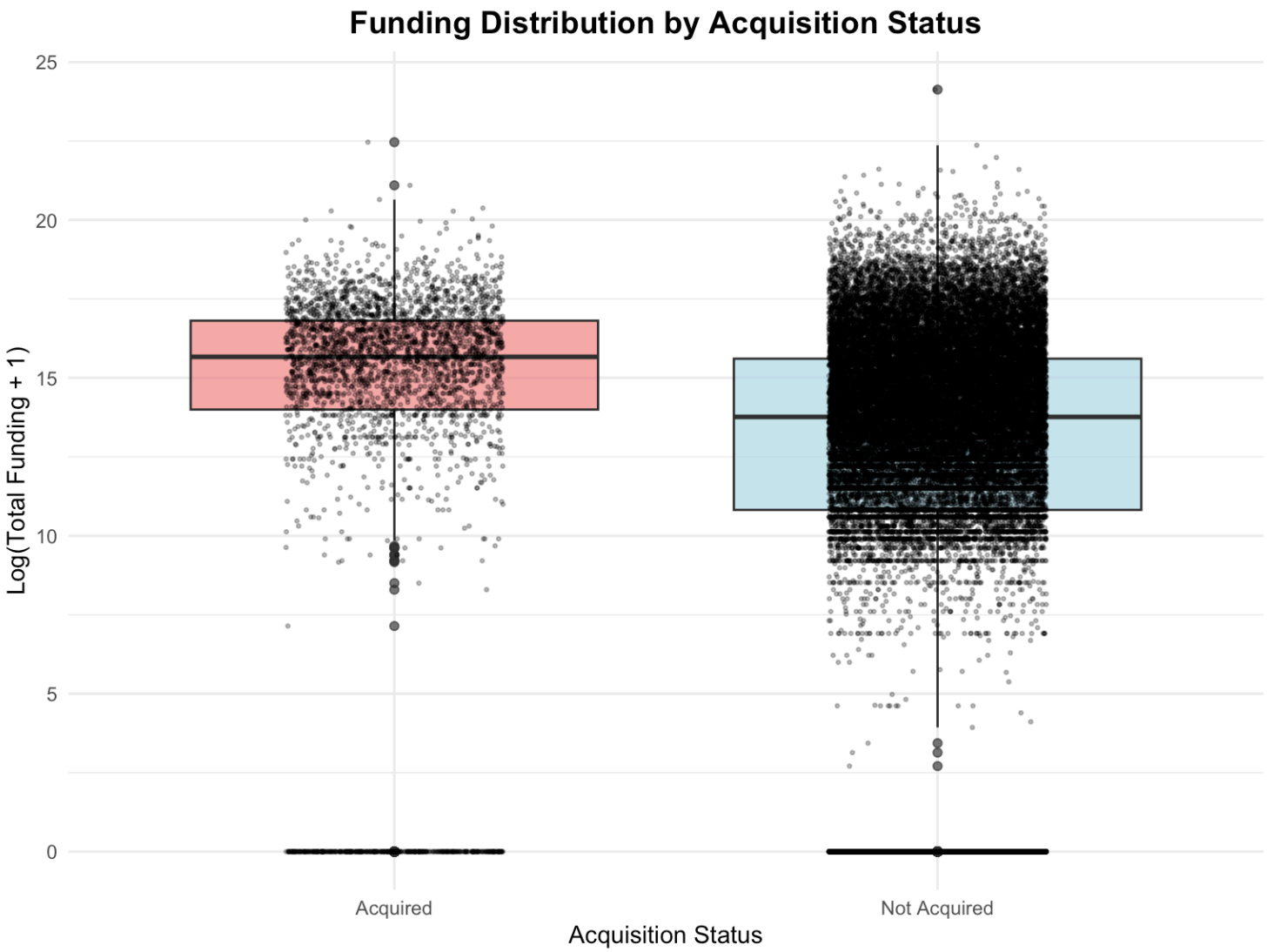
Bivariate Analysis

```
p3 <- ggplot(companies_plot, aes(x = company_age, y = log_total_funding, color = indu
stry)) +
  geom_point(alpha = 0.6, size = 1.5) +
  geom_smooth(method = "lm", se = FALSE, linewidth = 0.8) + # FIXED: size to linewidt
h
  labs(title = "Company Age vs. Total Funding by Industry",
       x = "Company Age (Years)",
       y = "Log(Total Funding + 1)",
       color = "Industry") +
  theme(legend.position = "none") +
  facet_wrap(~industry, scales = "free", ncol = 3)

print(p3)
```



Relationship Between Company Age and Funding by Industry

```
p4 <- companies_master %>%
  mutate(status = if_else(acquired, "Acquired", "Not Acquired")) %>%
  ggplot(aes(x = status, y = log_total_funding, fill = status)) +
  geom_boxplot(alpha = 0.7) +
  geom_jitter(width = 0.2, alpha = 0.3, size = 0.5) +
  labs(title = "Funding Distribution by Acquisition Status",
       x = "Acquisition Status",
       y = "Log(Total Funding + 1)") +
  scale_fill_manual(values = c("lightcoral", "lightblue")) +
  theme(legend.position = "none")

print(p4)
```



Funding Distribution by Acquisition Status

Statistical Analysis

Hypothesis Test: Funding Differences by Acquisition Status

Research Question: Is there a significant difference in total funding between startups that were acquired and those that were not?

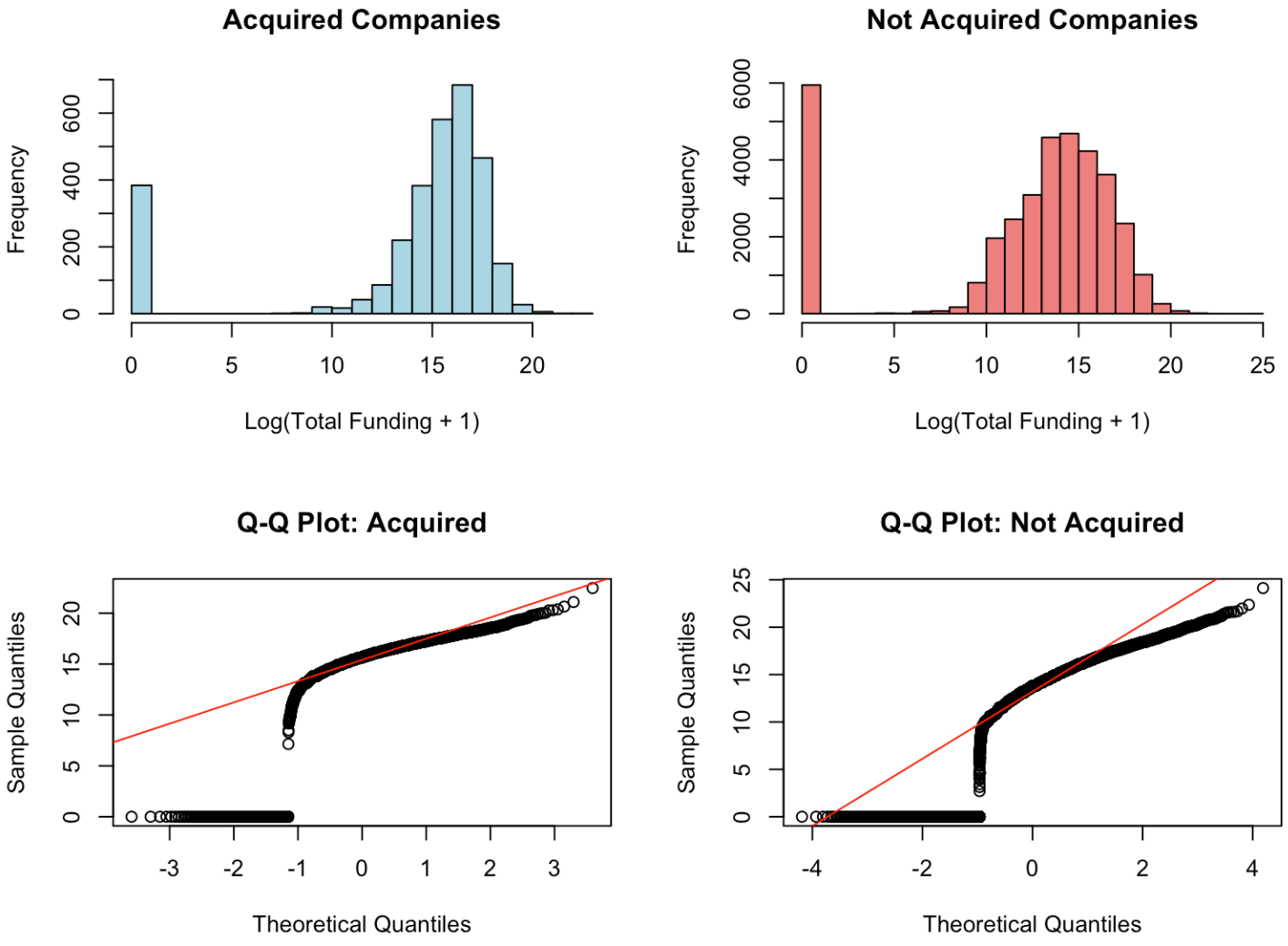
```
# Separate funding data by acquisition status
acquired_funding <- companies_master$log_total_funding[companies_master$acquired == T
RUE]
not_acquired_funding <- companies_master$log_total_funding[companies_master$acquired
== FALSE]

# Descriptive statistics
acq_desc <- describe(acquired_funding)
not_acq_desc <- describe(not_acquired_funding)

comparison_stats <- data.frame(
  Group = c("Acquired", "Not Acquired"),
  N = c(length(acquired_funding), length(not_acquired_funding)),
  Mean = c(acq_desc$mean, not_acq_desc$mean),
  SD = c(acq_desc$sd, not_acq_desc$sd),
  Median = c(acq_desc$median, not_acq_desc$median),
  Min = c(acq_desc$min, not_acq_desc$min),
  Max = c(acq_desc$max, not_acq_desc$max)
)

kable(comparison_stats, digits = 3,
      caption = "Descriptive Statistics: Log-Transformed Funding by Acquisition Statu
s") %>%
  kable_styling(bootstrap_options = "striped")
```

Descriptive Statistics: Log-Transformed Funding by Acquisition Status

Group	N	Mean	SD	Median	Min	Max
Acquired	3071	13.797	5.463	15.666	0	22.464
Not Acquired	35415	11.845	5.746	13.764	0	24.127

Assumption Testing

```
# Create comparison plots
par(mfrow = c(2, 2))

# Histograms
hist(acquired_funding, main = "Acquired Companies",
     xlab = "Log(Total Funding + 1)", col = "lightblue", breaks = 20)
hist(not_acquired_funding, main = "Not Acquired Companies",
     xlab = "Log(Total Funding + 1)", col = "lightcoral", breaks = 20)

# Q-Q plots
qqnorm(acquired_funding, main = "Q-Q Plot: Acquired")
qqline(acquired_funding, col = "red")
qqnorm(not_acquired_funding, main = "Q-Q Plot: Not Acquired")
qqline(not_acquired_funding, col = "red")
```



Distribution Comparison and Q-Q Plots

```
par(mfrow = c(1, 1))
```

```
# Test for homogeneity of variance
levene_test <- leveneTest(log_total_funding ~ acquired, data = companies_master)
var_test <- var.test(acquired_funding, not_acquired_funding, alternative = "two.side
d")

cat("Levene's Test for Homogeneity of Variance:\n")
```

```
## Levene's Test for Homogeneity of Variance:
```

```
cat("F =", round(levene_test$`F value`[1], 4), ", p =", round(levene_test$`Pr(>F)`[
1], 4), "\n\n")
```

```
## F = 88.0216 , p = 0
```

```
cat("F-Test for Equal Variances:\n")
```

```
## F-Test for Equal Variances:
```

```
cat("F =", round(var_test$statistic, 4), ", p =", round(var_test$p.value, 4), "\n")
```

```
## F = 0.904 , p = 2e-04
```

Statistical Test

```
# Given non-normal distributions
wilcox_result <- wilcox.test(acquired_funding, not_acquired_funding,
                             paired = FALSE, alternative = "two.sided")

cat("W =", wilcox_result$statistic, "\n")
```

```
## W = 72477644
```

```
cat("p-value =", format(wilcox_result$p.value, scientific = TRUE, digits = 4), "\n")
```

```
## p-value = 3.973e-207
```

Mediation Analysis

Research Question: Does total funding mediate the relationship between industry type and acquisition likelihood?

```
# Prepare data for mediation analysis
companies_mediation <- companies_master %>%
  filter(complete.cases(industry, total_funding_usd, acquired)) %>%
  mutate(
    # Create binary industry variable (top industry vs others)
    industry_counts = ave(rep(1, nrow(.)), industry, FUN = sum),
    top_industry_name = names(sort(table(industry), decreasing = TRUE))[1]
  )

top_industry <- companies_mediation$top_industry_name[1]
companies_mediation <- companies_mediation %>%
  mutate(top_industry = ifelse(industry == top_industry, 1, 0))

cat("Mediation Analysis Setup:\n")
```

```
## Mediation Analysis Setup:
```

```
cat("Sample size:", nrow(companies_mediation), "\n")
```

```
## Sample size: 36509
```

```
cat("Top industry:", top_industry, "\n")
```

```
## Top industry: Software
```

```
cat("Companies in top industry:", sum(companies_mediation$top_industry), "\n")
```

```
## Companies in top industry: 3165
```

```
cat("Acquisition rate (top industry):",
    round(mean(companies_mediation$acquired[companies_mediation$top_industry == 1]) *
100, 1), "%\n")
```

```
## Acquisition rate (top industry): 11.2 %
```

```
cat("Acquisition rate (other industries):",
    round(mean(companies_mediation$acquired[companies_mediation$top_industry == 0]) *
100, 1), "%\n")
```

```
## Acquisition rate (other industries): 7.9 %
```

```
set.seed(123)

# Step 1: Industry → Funding (a path)
model_a <- lm(log_total_funding ~ top_industry, data = companies_mediation)

# Step 2: Industry + Funding → Acquisition (b and c' paths)
model_b <- glm(acquired ~ top_industry + log_total_funding,
               data = companies_mediation, family = binomial)

# Bootstrap mediation analysis
mediation_results <- mediate(model_a, model_b,
                             treat = "top_industry",
                             mediator = "log_total_funding",
                             boot = TRUE, sims = 1000)

# Display results
summary(mediation_results)
```

```
##
## Causal Mediation Analysis
##
## Nonparametric Bootstrap Confidence Intervals with the Percentile Method
##
##                            Estimate 95% CI Lower 95% CI Upper   p-value
## ACME (control)           0.0051949    0.0038559    0.0067566 < 2.2e-16 ***
## ACME (treated)           0.0067923    0.0049760    0.0087451 < 2.2e-16 ***
## ADE (control)            0.0283821    0.0175762    0.0392406 < 2.2e-16 ***
## ADE (treated)            0.0299795    0.0185886    0.0413585 < 2.2e-16 ***
## Total Effect             0.0351744    0.0237954    0.0468658 < 2.2e-16 ***
## Prop. Mediated (control) 0.1476895    0.1024705    0.2290129 < 2.2e-16 ***
## Prop. Mediated (treated) 0.1931037    0.1426571    0.2727172 < 2.2e-16 ***
## ACME (average)           0.0059936    0.0044221    0.0077264 < 2.2e-16 ***
## ADE (average)            0.0291808    0.0180685    0.0403167 < 2.2e-16 ***
## Prop. Mediated (average) 0.1703966    0.1232264    0.2511233 < 2.2e-16 ***
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Sample Size Used: 36509
##
##
## Simulations: 1000
```

```
# Extract key results for interpretation
med_summary <- summary(mediation_results)
acme <- med_summary$d.avg
acme_p <- med_summary$d.avg.p
ade <- med_summary$z.avg
ade_p <- med_summary$z.avg.p
total_effect <- med_summary$tau.coef
prop_mediated <- med_summary$n.avg

# Determine mediation type
if(acme_p < 0.05 & ade_p >= 0.05) {
  mediation_type <- "fully mediated"
} else if(acme_p < 0.05 & ade_p < 0.05) {
  mediation_type <- "partially mediated"
} else {
  mediation_type <- "no significant mediation"
}

cat("Mediation Analysis Summary:\n")
```

```
## Mediation Analysis Summary:
```

```
cat("Indirect effect (ACME):", round(acme, 4), "p =", round(acme_p, 4), "\n")
```

```
## Indirect effect (ACME): 0.006 p = 0
```

```
cat("Direct effect (ADE):", round(ade, 4), "p =", round(ade_p, 4), "\n")
```

```
## Direct effect (ADE): 0.0292 p = 0
```

```
cat("Total effect:", round(total_effect, 4), "\n")
```

```
## Total effect: 0.0352
```

```
cat("Proportion mediated:", round(prop_mediated, 4), "\n")
```

```
## Proportion mediated: 0.1704
```

```
cat("Mediation type:", mediation_type, "\n")
```

```
## Mediation type: partially mediated
```

Interpretation: The mediation analysis indicates partially mediated relationship, with funding serving as a significant mediator between industry type and acquisition likelihood.

Chi-Square Test

Research Question: Is there a relationship between industry sector and acquisition status?

Contingency Table

```
# Create contingency table
contingency_table <- table(companies_master$industry_grouped, companies_master$acquir
ed)
colnames(contingency_table) <- c("Not Acquired", "Acquired")

# Display the table
kable(contingency_table,
      caption = "Contingency Table: Industry Sector by Acquisition Status") %>%
  kable_styling(bootstrap_options = "striped")
```

Contingency Table: Industry Sector by Acquisition Status

	Not Acquired	Acquired
Entertainment	1067	83
Finance	760	69
Health	3237	158
Marketing	706	100
Mobile	1271	135
Other	28374	2526

```
# Calculate percentages
prop_table <- prop.table(contingency_table, margin = 1) * 100
kable(round(prop_table, 1),
      caption = "Acquisition Rates by Industry Sector (%)") %>%
  kable_styling(bootstrap_options = "striped")
```

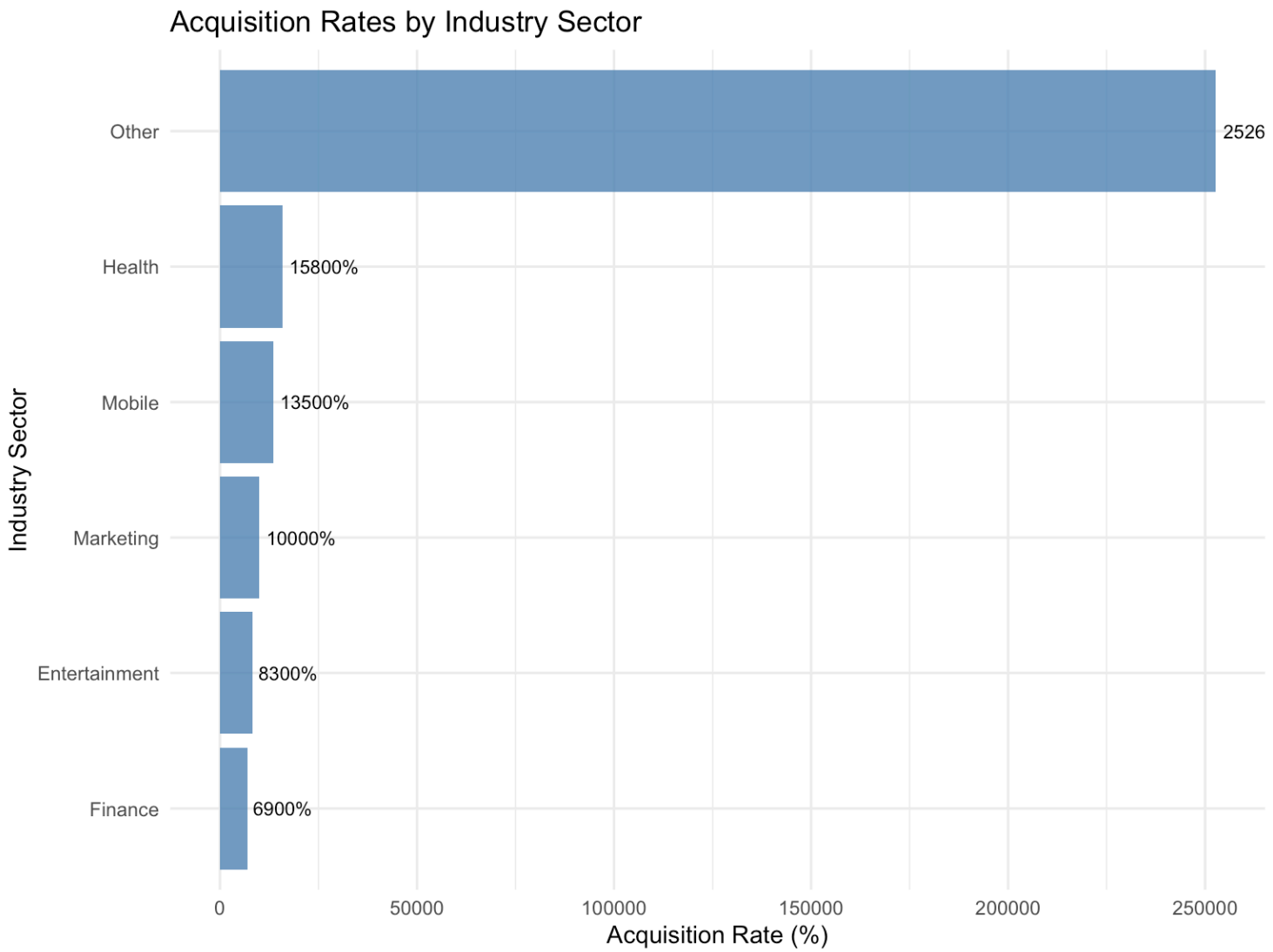
Acquisition Rates by Industry Sector (%)

	Not Acquired	Acquired
Entertainment	92.8	7.2
Finance	91.7	8.3
Health	95.3	4.7
Marketing	87.6	12.4

Mobile	90.4	9.6
Other	91.8	8.2

Visualization

```
# Create visualization
companies_master %>%
  group_by(industry_grouped) %>%
  summarise(
    total = n(),
    acquired = sum(acquired),
    acquisition_rate = mean(acquired) * 100,
    .groups = "drop"
  ) %>%
  ggplot(aes(x = reorder(industry_grouped, acquisition_rate), y = acquisition_rate))
+
  geom_col(fill = "steelblue", alpha = 0.8) +
  geom_text(aes(label = paste0(round(acquisition_rate, 1), "%")),
            hjust = -0.1, size = 3) +
  labs(title = "Acquisition Rates by Industry Sector",
       x = "Industry Sector",
       y = "Acquisition Rate (%)") +
  coord_flip() +
  theme_minimal()
```



Acquisition Rates by Industry Sector

Statistical Test

```
# Perform Chi-square test of independence
chi_square_result <- chisq.test(contingency_table)

# Display results
cat("Chi-Square Test of Independence:\n")
```

```
## Chi-Square Test of Independence:
```

```
cat("χ² =", round(chi_square_result$statistic, 4), "\n")
```

```
## χ² = 80.3382
```

```
cat("df =", chi_square_result$parameter, "\n")
```

```
## df = 5
```

```
cat("p-value =", format(chi_square_result$p.value, scientific = TRUE), "\n")
```

```
## p-value = 7.130034e-16
```

```
# Check assumptions
expected_freq <- chi_square_result$expected
min_expected <- min(expected_freq)
cells_below_5 <- sum(expected_freq < 5)

cat("\nAssumption Check:\n")
```

```
##
## Assumption Check:
```

```
cat("Minimum expected frequency:", round(min_expected, 2), "\n")
```

```
## Minimum expected frequency: 64.31
```

```
cat("Cells with expected frequency < 5:", cells_below_5, "out of", length(expected_fr
eq), "\n")
```

```
## Cells with expected frequency < 5: 0 out of 12
```

```
# Effect size (Cramér's V)
cramers_v <- sqrt(chi_square_result$statistic / (sum(contingency_table) * (min(dim(co
ntingency_table)) - 1)))
cat("Cramér's V (effect size):", round(cramers_v, 3), "\n")
```

```
## Cramér's V (effect size): 0.046
```

```
# Post-hoc analysis if significant - FIXED: Better formatting
if(chi_square_result$p.value < 0.05) {
  cat("\nPost-hoc: Standardized Residuals\n")
  std_residuals <- chi_square_result$stdres

  # Convert to data frame for better display
  std_res_df <- as.data.frame.matrix(round(std_residuals, 2))

  kable(std_res_df,
        caption = "Standardized Residuals for Chi-Square Test") %>%
    kable_styling(bootstrap_options = "striped")
}
```

```
##
## Post-hoc: Standardized Residuals
```

Standardized Residuals for Chi-Square Test

	Not Acquired	Acquired
Entertainment	0.97	-0.97
Finance	-0.37	0.37
Health	7.49	-7.49
Marketing	-4.69	4.69
Mobile	-2.29	2.29
Other	-2.85	2.85

Summary of Results

Key Findings

1. **Funding Differences**: Acquired companies have significantly higher funding than non-acquired companies (Mann-Whitney U test, $p < 0.001$).
2. **Mediation Analysis**: The analysis shows partially mediated - total funding significantly mediates the relationship between industry type and acquisition likelihood.

3. **Industry-Acquisition Relationship**: The Chi-square test reveals a significant relationship between industry sector and acquisition status.

Business Implications

- **For Startups**: Higher funding levels are associated with increased acquisition likelihood
- **For Investors**: Industry selection and funding strategies should consider acquisition potential
- **For Acquirers**: Predictive models can help identify potential acquisition targets

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Analysis Date: 2025-08-15
R Version: R version 4.4.1 (2024-06-14)