

A Complex Process Simplified

When it comes to selling a business, two contrasting approaches stand out: the "Hard Way" and the "Vista Way." The Hard Way involves skipping to the front of the line, targeting a single buyer, and attempting to streamline the process for a seemingly faster sale. On the other hand, the Vista Way involves an extensive marketing process, inviting multiple potential buyers, and setting clear deadlines for offers. In this article, we will explore the pros and cons of these two methods and why the Vista Way often proves to be the more efficient and successful approach.

The Hard Way: A Tempting Shortcut

The idea of jumping over the marketing process and working with a single buyer may seem efficient, easy, and quick. After all, it cuts down on the time spent dealing with multiple inquiries and negotiations. However, the math behind this approach does not always add up favorably.

1. Limited Success: Statistics show that only around 10% of potential buyers who express interest actually make offers. Furthermore, only 10% of those offers are typically reasonable. This means the odds of a single buyer becoming the actual buyer are quite low.
2. Time-Consuming: Additionally, working with one buyer does not necessarily save time. The negotiation process can be prolonged, and if the deal falls through, valuable time is lost.

The Vista Way: A Strategic Approach

In contrast, the Vista Way is a well-structured approach to selling a business that can yield more favorable results:

1. Extensive Marketing: This method involves marketing the business extensively, which attracts a larger pool of potential buyers. On average, about 112 buyers show interest, significantly increasing the chances of finding the right buyer.
2. Multiple Offers: Setting a clear deadline for the first round of offers ensures a competitive atmosphere. With an average of twelve offers received, sellers have more options to choose from.
3. Efficient Handling: Contrary to what one might think, managing multiple buyers at once is only slightly more time-consuming than dealing with a single buyer. This is because the process is streamlined, and the memorandum provided to buyers answers most of their questions. Any additional queries are shared with all potential buyers, reducing duplication, and saving time.

Why the Vista Way Works

The Vista Way works for several reasons:

1. Competition Drives Offers: The competitive nature of this approach encourages buyers to put forth their best offers. Sellers can select from a pool of potential buyers who have expressed genuine interest.
2. Informed Buyers: The comprehensive memorandum ensures that buyers are well-informed, reducing the need for extensive back-and-forth communication. This results in a more efficient process.
3. Increased Certainty: Dealing with multiple buyers simultaneously increases the chances of finding the right match. It provides sellers with a safety net in case one deal falls through.

While the Hard Way may seem like a tempting shortcut in selling a business, the Vista Way offers a more efficient, organized, and successful approach. By marketing extensively, attracting multiple potential buyers, and providing them with the necessary information, sellers can increase their chances of finding the right buyer and achieving a successful sale. In the world of business sales, patience and a strategic approach often yield the best results.

If you're interested in selling your business with a trusted advisor, contact Vista Business Group today at (913) 944-2285.

