

The Intangibles of a Good Buyer: Beyond the Finances

It's difficult to recognize a good business buyer from a bad one just by looking at a price offered. Clearly, the most important aspect of a business sale is that the deal gets funded, and the seller gets paid for their life's work—without the money, there's no deal. However, beyond the finances, there are many intangibles that can help distinguish a good buyer from a bad one. Let's explore those crucial traits that define a truly great buyer.

Elegantly Blunt

A good buyer addresses the root cause of problems directly. They don't dwell on issues; instead, they solve them. When they point to a concern, they already have a suggestion for its solution. This transparency extends to all their dealings to include what's to like and what's not to like—without sugarcoating. This is business, after all. Time is valuable, and a good buyer uses it effectively.

It's important to note, there is a difference between being blunt and being blunt with a dash of elegance. Presentation of candid feedback and pointed conversations can either earn a seller's respect or cause friction if not balanced with empathy.

Highly Engaged

Good buyers never miss a date or deadline. If they do, they have a valid reason or ensure to notify all parties in advance. They ask relevant, meaningful questions and are present with every interaction. Their engagement is evident in their commitment to staying on track and hitting every milestone. As a seller, if you ever doubt the buyer's interest or responsiveness, chances are they're unengaged.

Organized and Systematic

Being organized is a staple characteristic of a good buyer. They rarely send repeat questions or requests—a key to maintaining efficiency and avoiding seller fatigue. They hardly ever lose track of documentation, reports, or requests. Appropriate resources are brought to the table at the right times and each phase of the acquisition process is approached systematically. By alluding to what's to be expected before it's expected, they ensure that a seller is never unsure about what's to come.

Keep in mind, an investment banker will assist significantly in this area. The collaboration between a good buyer and a skilled investment banker greatly increases the likelihood of success.

Experienced or Educated

Ideally, a good buyer has acquired a business or been through the process before. There is simply no better way to excel in business acquisitions than to experience it first-hand.

While this isn't always the case, we've had plenty of excellent experiences with buyers who haven't. The common thread is that they share key traits: a deep understanding of the process, have an extensive network with resources in place, are willing to be coached, always curious, and never arrogant. They have a clear picture of what they want, are excellent at sharing that vision, and exhibit a sense of urgency.

Personality and Culture Fit

Above all, getting along with the buyer is crucial. You've put a lot of work into your business, and it's essential to trust that the buyer will succeed with it. Most issues can be resolved if the buyer and seller have a good relationship. This positive relationship trickles down to employees—if you get along with the buyer, and they get along with you, there will be mutual interest in moving forward successfully.

In Conclusion

Finding the right buyer might seem like searching for a needle in a haystack, but that's why it's crucial to meet with several buyers and follow a thorough process. This approach allows you to vet each candidate multiple times, ensuring you're not just selling your business, but entrusting it to someone who can get the deal done and continue its legacy of success.

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

