



# 8 QUESTIONS YOU Will Be Asked WHEN SELLING YOUR BUSINESS

Here are some questions you can expect to be asked when you're in the hot seat:

## 1 WHY DO YOU WANT TO SELL YOUR BUSINESS?



It's a slippery question because if your business truly does have a bright future—and you want the buyer to believe that's the case—the obvious question is: “Why do you want to sell it, and would you want to sell it now?”

## 2 WHAT IS YOUR COST PER NEW CUSTOMER ACQUIRED?

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The potential acquirer wants to find out if you have a predictable, economical and scalable formula for finding new customers.

## 3 WHAT IS YOUR MARKET PENETRATION RATE?



The acquirer, with an eye to future growth, is trying to understand how big the potential market is for your product or service and what part of the field remains to be harvested.

## 4 WHO ARE THE CRITICAL MEMBERS OF YOUR TEAM?

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The acquirer wants to understand the breadth and depth of your team and determine specifically which members need to be motivated and retained post-purchase.

## 5 WHO BUYS WHAT YOU SELL?



The more you know about your customer demographics, the better the buyer will be able to assess the strategic fit.

## 6 HOW DO YOU MAKE WHAT YOU SELL?



This question is asked in an effort to size up the uniqueness of your formula for creating your product or service. Potential buyers want to know if you have any proprietary systems that would be hard for a competitor to replicate.

## 7 WHAT MAKES YOUR PRODUCT TRULY UNIQUE?



A buyer is trying to understand how big the moat is around your business and what kind of protection it offers from competitors who may decide to compete with you in the future.

## 8 CAN YOU DESCRIBE YOUR BACK-OFFICE SETUP?



Most buyers will try to understand how easily they can integrate your back office into their operation. They'll want to know what bookkeeping and billing software you use, how customers pay, and how you pay suppliers.