

VALUE BUILDER STORY:

The Value Builder System™ Helps Indiana Business Advisors Successfully Sell 80% of Listings

BACKGROUND

Indiana Business Advisors is Indiana's largest business brokerage. They have sold over 2,100 businesses in nearly 40 years of brokering companies of all sizes. IBA also offers consulting services, helping buyers save and sellers maximize and retain value. IBA's managing partner, Ed Mysogland, guides his organization in evaluating small and mid-size businesses. Mysogland has over a quarter century of expertise in appraising businesses of every shape and size. He is also a chapter president of the Exit Planning Institute.

BUSINESS CHALLENGES

Mysogland was searching for a lead-generation platform that would help identify interested clients. He also lacked a system that could automate marketing and qualify if business owners were a good fit. With the right software solution, he could generate more leads while reducing qualification time, allowing him to spend more time selling companies.

Ideally, he also needed an application that would aid in determining business value. A crucial part of uncovering value is identifying risks specific to a client's business. These weak areas are potential sticking points for a buyer, but they are also fertile ground for building the company's value.

Finally, Mysogland was looking for a way to ensure a deal. He found that he would spend 6–12 months preparing and marketing a sale, but the client would often back out at the last moment. Although these businesses attracted interested buyers, the owners simply weren't ready to sell.

WHY THE VALUE BUILDER SYSTEM™

Mysogland uses lead magnets and the Value Builder Questionnaire to attract business owners to his firm. The lead magnets are prebuilt responsive marketing content for his website, social media, and email.



ADVISOR: ED MYSOGLAND

Type of Advisor:
Business Broker

RESULTS



The Value Builder System attracts, qualifies, and prepares clients for the sale of their business.



Increased close rate from **20% to 80%** using PREScore

KEYWORDS

Building Credibility, Becoming the Trusted Advisor

MONETIZING VALUE BUILDER VIA
Qualifying and Engagement

They include landing pages, templates, and questionnaires designed to easily capture and engage leads. These out-of-the-box products help to attract new business owners to IBA's services while providing meaningful content.

The Value Builder Questionnaire contains 34 questions that assess the business through the eyes of a potential buyer. It pinpoints areas for improvement and demonstrates how addressing certain areas can increase the value of the business. It is based on the 8 Key Drivers that are important to acquirers. As Mysogland puts it, ***"We know that those are the negotiating points that are either going to amplify value or detract from it."*** They are the specific data about his client's company that can move a buyer from interested to making an offer.

However, the drivers can also reveal areas of weakness that indicate potential risks for a buyer. Mysogland says, ***"If you can quantify that company-specific risk, which the Value Builder System™ does, it makes your valuation better."*** The process not only gives the seller a clear picture of the value of the business but also tells them why it merits that value. This avoids unpleasant surprises, such as a reduced offer based on a problem area the seller may have been unaware of. But beyond awareness, the 8 Key Drivers indicate areas in which a business owner can make improvements to proactively build the value of their company.

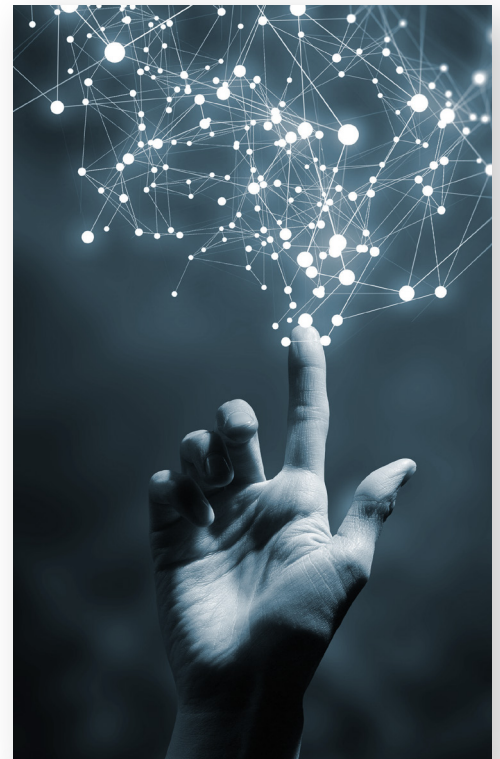
In conjunction with the Value Builder questionnaire, Mysogland leverages PREScore™ (Personal Readiness to Exit Score) to help avoid client cold feet as well as the lost effort—and revenue—of a failed sale. ***"Utilizing the Value Builder System™, you start to see that the business owner has never thought of their business in this way."*** The PREScore includes 12 questions that trigger business owners to assess their personal and psychological readiness to sell. This holistic approach to selling a company has allowed IBA to invert the typical sales success rate from around 20% to 70%–80%. The Value Builder System™ is a platform at the forefront of business sales. ***"The industry is changing as value building and value creation become more mainstream,"*** Mysogland says. Brokerages are moving away from selling a business as is and toward increasing its value through specific actions. ***"And that's where we want to be—where you create, preserve, and transfer value."***

RESULTS

With out-of-the-box lead magnets, Mysogland can better attract and retain business owners to his practice. The Value Builder Questionnaire then benchmarks business owners, giving Mysogland the ability to sell his services. To help business owners in the selling process, he leverages the PREScore self-assessment, which forces them to evaluate their own preparedness to, as Mysogland put it, ***"take that illiquid asset"***—their company—***"and make it liquid for the next chapter of their lives."***

Whereas the industry average rate of successful sales is around 20%, Mysogland's team consistently achieves a 70%–80% success rate ***"because the business owner understands just what the buyer is going to have to address."*** For Mysogland, this is a direct result of the clarity the Value Builder System™ provides.

In today's market, business brokerage is more than a transaction. It's a relationship in which brokers help their clients maximize value. With The Value Builder System™, benefits are twofold: business owners maximize their value through a sale, and brokers collect recurring revenue and higher fees from a successful transaction.



Utilizing the Value Builder System™, you start to see that the business owner has never thought of their business in this way.