



**ACCLARO GROWTH  
PARTNERS**

**WHAT CONSTITUTES GOOD COMMERCIAL OR  
MARKET DUE DILIGENCE?**

**WHITE PAPER**

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# WHAT CONSTITUTES GOOD COMMERCIAL OR MARKET DUE DILIGENCE?

Transactions in niche market segments often require unique diligence expertise. It can be difficult to wrap your arms around obscure market segments and even harder to become comfortable with the positioning of targets in subsegments. Validating the competencies and directions of these acquisition targets can be complicated. Commercial, or market, diligence in niche subsegments is important, and requires dedicated P.E. expertise.

## CREDIBILITY

Do You Trust Your Consultants to Get It Right?



Our clients trust Acclaro (the majority of our work is repeat clients) to assess complex markets with detailed, actionable insights and recommendations.

- Gather sufficient data points to arrive at consensus opinion on basic, quantitative aspects such as market size, growth, segmentation and shares.
- Confirm/refute key tenets of the investment hypotheses.
- Understand the nuances of the outlier perspectives from various industry contacts.
- Analyze these divergent perspectives to identify new opportunities and risks.

## ART & SCIENCE

Are Your Consultants Process Experts and Creative Thinkers?



The mere answer is not enough; investment decisions are nuanced.

- Answers result from the most appropriate, and flexible, research plans.
- Resourcefulness, creativity and independent thinking are what enable us to arrive at complex answers.
- Understanding the why, how, since when, what-ifs, and exceptions are far more valuable than the simple quantitative answer, per se.
- Understanding the implications and growth options for your management team, in your niche market, is critical.

## RECOMMENDATIONS

Are You Benefitting from Investment and Growth Recommendations?



Analysis and recommendations identify potential landmines and opportunities; and provide the framework for post-close growth planning.

- Focus on Go/No Go.
- Uncover which initiatives to begin (and recommend what to cease, as well).
- Recommend next steps, post-close, that tie into 100 Day Planning and longer-term strategic planning (processes not currently in place, for example).

**ACCLARO GROWTH PARTNERS HAS, OVER THE PAST 20 YEARS, DEVELOPED A PROVEN AND DIFFERENTIATED PROCESS TO CONDUCT MARKET DILIGENCE IN THESE NICHE SUBSEGMENTS. WE THINK LIKE INVESTORS, BOARD MEMBERS AND MIDDLE MARKET CEOS.**

**PEOPLE**



**COLLABORATION**



**ACTIONABILITY**



**VALUE**



**PERSPECTIVE**



**We are former CEOs, CMOs, Private Equity Investors, Top-Tier Management Consultants and More**

**We are all-in, together with you, every step of the way**

**Every engagement is ultimately about uncovering growth opportunities.**

**While our thinking is on par with top-tier consulting, we right size our pricing for the middle market.**

**A buyer's perspective with a focus on growth tactics.**

Our experienced team has a high level of intellectual curiosity. We are committed to, and passionate about, ensuring our clients make sound investment decisions.

- Renaissance men and women. We are intellectually curious learners.
- Our team members are skilled at asking good questions and engaging in prolonged discussion.
- Experience (average tenure is more than five years; average business experience: 20+ years).
- Analytical – We synthesize, analyze and recommend.

In each engagement, we challenge ourselves to think like the investor; and in post-close value creation work, we think like the Middle Market CEO.

- From initial thesis refinement, to search and screen, to diligence, value creation and to the sell-side market study...
- As the data, insights and analysis come in, your needs, interests and objectives shift. We encourage mid-engagement pivots.
- We are all in this together, striving for the best and most relevant insights possible to facilitate sound investment decisions!

We are strategists who believe in sound data to build our recommendations.

- Static, quantitative data points such as market size, growth rates, segmentation, shares, customer scores and metrics, etc.
- Go/No Go recommendations
- Specific, tactical and strategic steps to help each client seize opportunities and steer clear of threats to grow even more rapidly.

We offer comprehensive insights, with rich content, detailed analytics and strategic recommendations without the top-tier consulting firm price tag.

- We understand that it becomes critical to find a trusted advisor that is fair, flexible, and with better value.
- We offer comprehensive insights, with rich content, detailed analytics and strategic recommendations.

We have the mindset of management teams and CEOs and love to brainstorm collectively about future strategic options.

- We are research-based growth strategy advisors and are committed to finding the answers (and the nuanced analysis).
- We have management teams' mindsets and love to brainstorm collectively about future strategic options.
- We think like investors and anticipate your feedback.

TO RECEIVE YOUR REDACTED EXAMPLE OF A GOOD COMMERCIAL DUE DILIGENCE ENGAGEMENT, JUST WRITE TO [KIT@ACCLAROPARTNERS.COM](mailto:KIT@ACCLAROPARTNERS.COM) AND LET US KNOW! AND IF YOU HAVE ANY OTHER REQUESTS, OR QUESTIONS, WE ARE HAPPY TO HELP. CALL KIT LISLE ON 703.434.3597.

## ACCLARO LEVERAGES A CONSISTENT SET OF METHODOLOGIES ACROSS THE INVESTMENT LIFECYCLE

### IDENTIFY



Investment Identification and Refinement

- ✓ Business case development
- ✓ Problem definition
- ✓ Thesis development and refinement

### ASSESS



Assess Select Opportunities and Markets

- ✓ Market assessment
- ✓ Scoring and market sizing
- ✓ New investment opportunity assessment

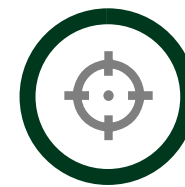
### ENHANCE



Actionable growth and value creation

- ✓ Voice of the customer
- ✓ Loyalty / retention analysis
- ✓ Monetized market metrics
- ✓ Behavioral Segmentation
- ✓ Growth / strategic planning
- ✓ Synergy analysis
- ✓ Short- and long-term planning

### VALIDATE



Performance analysis and validation

- ✓ Opportunity review and positioning
- ✓ Performance evaluation and market size
- ✓ Financial metrics