



Digital Marketing Agency sold to Big Group

Inspiration Inc. is an exciting and ambitious digital marketing company, based in West Berkshire. They have a strong focus on the strategic use of digital marketing, with clients' return on investment at the core of their service offering.

Their services include Search Engine Marketing, Pay Per Click advertising and e-commerce website building and optimisation, all combined with detailed analytics to ensure effective results.

The business was started in 2007 by Chris and Emily Turberville-Tully, both experienced marketers, specialising in PR and copywriting.

The couple realised the growing demand for digital marketing, a market which, whilst fast growing, was suffering from a poor reputation for delivering return on investment for its users.

Chris and Emily's objective was to create a service based on a robust business case, using best of breed solutions to deliver it. As a result, the business experienced rapid growth and, with strong management focus, achieved consistent profitability.

The transaction was completed in under 8 months from going to market

STATS

99

Companies Profiled and Contacted

3

Potential Acquirer Meetings

2

Offers Received

The transaction

By 2014 the business had a large, prestigious client base but was operating at full capacity. Chris and Emily firmly believed that the company had the potential to continue its outstanding growth but it would need additional resources in order to achieve this.

After much consideration Chris and Emily concluded that this would best be realised under new ownership and so made the decision to sell.

The couple began the search for a suitable adviser and, after evaluating a number of potential advisers, appointed Evolution CBS to conduct the sale.

And so began the critical “Discovery” phase of the sale process where the Evolution team, led by James Whittaker, worked with Chris and Emily to get “under the skin of the business” and understand where and how a potential buyer would benefit from an acquisition.

From there, we created a list of potential buyers, together with the compelling marketing documents that would attract interested parties to the negotiating table.

The most successful transactions result when the buyer and seller are both able to see the future of the business under new ownership. For this reason the “Discovery” phase of a client project is of fundamental importance. Not only does it provide the detailed information needed to create compelling marketing documents, it also enables us to create a detailed profile of potential acquirers, identifying where there is a strategic fit and creating the criteria for our target list.

When the Marketing phase of the sales process began, there was considerable interest from the agreed target list, resulting in 3 parties pursuing an interest in acquiring.

The business had operated with minimal sales and marketing activities to date, leaving plenty of scope for growth, but the level of demand from its existing client base meant it was unable to accommodate new business.

With booming market conditions, and the ongoing development of recurring revenue streams, there was significant interest in the company. Multiple offers (including revised offers) were received from the competing bidders but the eventual buyer was Big Group – a London based marketing agency with a wide portfolio, including digital marketing, demonstrating the importance of synergy when evaluating potential buyers.

One of the main responsibilities of the business sales adviser is to maximise the value of the deal. In this particular case our challenge was to present the true potential of the business and to persuade the buyer to substantially weight their valuation on future growth rather than on the company’s historic financial performance. In the case of this fast growing business at the front of a rapidly developing sector, it required, and ultimately achieved just such a valuation.

The transaction concluded within 8 months of initial marketing. The acquisition enabled Big Group to expand its presence in the Thames Valley and to strengthen its existing Search services, adding data analysis to its service portfolio.

“We have a shared ethos and dedication to service excellence that benefits everyone.”

Chris Turberville-Tully, M.D.

Commenting on the new relationship in its press release, Big Group CEO, Nick Scott said: “Being able to engage at a strategic level with our clients remains a priority for Big Group and data expertise and ROI are key to these conversations.”

Chris Turberville-Tully continues to run the company, which remains in its West Berkshire premises trading under the Inspiration Ink brand. Chris commented: “As experts in search and data we were looking to align ourselves with a partner who could complement our results led offering. It was clear to us that Big Group have all the requisite talent to assist in our continued growth.”

