

Uncovering Hidden Value: Sales and Marketing Due Diligence for a PE Platform Acquisition

Background

A Private Equity firm identified red flags during initial discussions with a targeted platform company and sought an independent assessment of the sales and marketing functions. Rather than proceed based solely on financial due diligence, the PE firm engaged Empirical to conduct a comprehensive "deep dive" into the sales and marketing organizations to identify current weaknesses, uncover hidden opportunities, and develop an actionable roadmap with clear forward direction for value creation post-acquisition.

Objective

The PE firm sought to validate the investment thesis and identify immediate value creation opportunities within the sales and marketing functions. Empirical was tasked with reviewing strategic alignment between sales and marketing, assessing team capabilities and skillsets, evaluating the technology stack against future business goals, and developing a value creation roadmap that would deliver early wins and build organizational momentum post-acquisition.

Methodology

Empirical deployed a team of three experienced sales and marketing executives to conduct comprehensive functional due diligence.

- **Strategic Alignment Assessment** – Reviewed strategic plans for both marketing and sales organizations and evaluated alignment between the functions.
- **Talent and Capability Evaluation** – Assessed skillsets of management and team members to determine their ability to effectively execute their roles and deliver results.
- **Technology Stack Review** – Evaluated current tech stack to ensure alignment with future business goals and identify gaps or opportunities for optimization.
- **Voice of the Customer Analysis** – Conducted customer research to assess messaging effectiveness, value proposition alignment, and decision-maker engagement.
- **Content and Digital Performance Review** – Analyzed website analytics and content strategy to identify disconnects between prospects and the company.
- **Value Creation Roadmap Development** – Synthesized findings into an actionable plan prioritizing early wins and building organizational buy-in.

Results

- **Identified critical misalignment** between sales and marketing causing friction, poor communication, and suboptimal results.
- **Recommended sales compensation restructure** to better align pay with performance and strategic priorities.
- **Delivered Voice of the Customer insights** revealing needed improvements in messaging and value proposition to resonate with key decision-makers in the target audience.
- **Uncovered content strategy gaps** causing prospect disconnect, evidenced by poor website analytics and engagement metrics.
- **Provided comprehensive action plan and roadmap** that the company successfully implemented post-acquisition.
- **Enabled 20% revenue improvement** by the end of year one through execution of the value creation roadmap.
- **De-risked the acquisition** by providing the PE firm with clear visibility into functional strengths, weaknesses, and improvement opportunities before close.



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