

## Guide to Acquiring a Content Platform

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### Step 1 - Determine your goal

Determine the reasons it might make sense to purchase an existing content platform.. Your business objectives might include:

- To cover geographic areas that your business is currently absent from with an in-person component.
- To insert your brand into the conversation around a topic you are not well known for.
- To accomplish subscription objectives.
- To purchase the content assets themselves and the associated search engine optimization and share the benefits that come with them.

### Step 2 - Clearly identify the audience

- For this process to work, you need a clear understanding of the audience gap you are trying to fill. Figure out who are the asset targets.

### Step 3 - Make your short list of platforms

- After you identify your objective and your audience, start making a list of relevant platforms that will help you meet your goals.
- Avoid setting any limitations at this point.
- You can list events, blog sites, media sites, association sites, and maybe even some sites directly from your influencer lists.

As you make your list, it's handy to put it all into a spreadsheet containing relevant subscriber information such as:

Step 3 - Relevant subscriber information	
Origination date	
Current number of subscribers	
Known revenue sources	
Ownership structure	

For a conference or trade show look for these assets when purchasing an event:

Step 3 - Conference and trade show asset evaluation chart.					
Number of attendees (past two years) with percentage of growth (or loss)					
Number of exhibitors (past two years) with percentage of growth (or loss)					
Number of media partners (past two years)					
General regional location					
Registration cost (rate card)					
Marquee value	1	2	3	4	5
Possibility for setting up a media platform around the event.	1	2	3	4	5
Potential to build the event into a fully functional media platform with online content, web events and more.	1	2	3	4	5

### Step 4 - Approach the best opportunity.

Two recommended options for approaching your options:

- Reach out to your top pick and see where the conversation goes. The issue with this is that it puts all your eggs in one basket.
- Approach your top three picks at once and say you are interested in purchasing their website, event etc.
- The key at this point is to just get the discussion started so you can figure out where any potential interest may lie.

## Step 5 - Determine the purchase value\*

- The first part of determining the purchase value is critical → figure out what the owner wants.
- Request the business's profit and loss statement for the previous two years at least.\*
- May need to see documentation on current sponsorships agreements and other contracts the company holds to confirm that its P&L statement can be verified.
- For website purchases, some deals are done on a per-subscriber basis, some on a net profit basis determined during the sale process such as five times earnings.
- Smaller conferences on the other hand go for around five times net profits
  - EXAMPLE:
    - Attendees: 250
    - Exhibitors: 20
    - Revenue: \$340,000
    - Expenses: \$270,000
    - Net Profit: \$70,000
    - General Value of the business  $\$70,000 \times 5 = \$350,000$

## Step 6 - Make your offer

- Before you make your formal offer, make sure that your price is in the right ballpark and that the owner agrees to the basics of your terms.
- If you have that agreement, you'll need the event owner to sign a formal letter of intent\* (known as an LOI).
- The LOI indicates that both sides agree to continue the conversation and take the relationship to the next level of the process.\*

***\*Legal specifics can vary greatly and by no means should you be taking my advice as legal advice. Please consult your legal representation before starting this process and during this process.***

## **Step 7 - Final Negotiations**

Before you sign anything - consider these final questions:

- What email database and print lists are available? Do you have permission to email people in the database directly? Should you get double opt-in permission?
- What assets are available? Videos? Blogs? Podcasts? Conducting a full content audit of the company's assets might be necessary.
- What social channels are in use?
- Who are the prime influencers in this space that you should connect with? Request contact details and areas of expertise (if needed)
- What vendors does the company work with? Whom would it recommend?

→ Over the next 30 to 60 days you should work on your formal asset purchase agreement and review all documentation to make sure all facts, figures, and discussions are accurate and verifiable.\* From there, contracts are signed, followed by corks popping on your celebratory bottles of champagne!

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