

Preparing To **Sell Your Business**

Whether you're ready to move on to a new venture, want to spend more time offline, or need to convert a monthly income stream into a lump sum of cash, the idea of selling your web business can be stressful. So much time and effort has gone into your business, and whatever the reason, you want to make sure you get the best price possible.

FMZ Business Brokers can help you connect with interested buyers who are looking for sites like yours to invest in. We work with you as a team to present your business in the best way possible to buyers and we want to see you succeed.

Questions To Ask Yourself

Before placing your business for sale, understand where you're hoping to go and what outcome you're looking to achieve by answering these questions.

Can my business be operated by someone else?

Many sellers start their businesses as a labor of love, providing a service based on skills they've acquired over time. You may have a stable of loyal customers and a great reputation in your specialty. But if you are the key to the business, someone else might not be able to run it. While not every business can be successfully run by any buyer, buyers want a business that can thrive whether you're at the helm or they are.

How quickly do I need to sell?

If you're in a time crunch, we can adjust the marketing and price of the business to sell more quickly. In general, a higher-priced web business will take longer to sell as the pool of buyers is smaller. Income fluctuation over the course of a year may also affect a buyer's desire to buy at any given point in time - for example, a retail business will usually do better over the holiday season, so buyers may not be as interested in January as they would have been in September.

Do I have a realistic price point in mind?

If you're selling your business because you need the cash for something else, the amount you need for that "something else" may be what's driving you to ask for a certain price, not the amount the business is actually worth. Similarly, if you've put a lot of money in over the years but the business hasn't earned it back, you may feel like this is the point where you'll get paid back. But if the business doesn't show enough profitability or room for growth to support the price you ask, it won't attract buyers.

Can I offer additional domain names or related items with this business?

Including 'bonus' items gives buyers an extra incentive to buy your business instead of another, similar one. But while they may make the package more enticing, they might not get you a higher price than selling the business and the domain names separately.

Are my business records separate from my personal financial records or other web businesses I own?

Many small businesses start as a hobby or side project for their owner. Over time, as they grow, many owners run their business out of their own personal accounts, and may even have multiple businesses' or websites' revenue going into and out of the same account. This makes it difficult to prove to a buyer that THIS particular website is the one producing the revenue. If your records are a bit tangled, it will take more time to create a financial profile for just the website for sale.

Am I willing to offer financing or other ongoing arrangements?

Offering seller financing is a way to open up the pool of buyers and sell the site at a higher price, while also making money on interest. This will mean that it will take a longer time to get the full amount, but could also bring you a higher profit. If you need to sell the loan later, you can usually do so, though it may be at a 10 to 30% discount. Some buyers may also ask to pay for the business out of profit-sharing in return for a higher price, or to give you royalties for some period of time in return for a lower up-front price. Being willing to entertain many different types of offers than the standard lump sum of cash can help sell for a better price or even generate ongoing revenue for you.

Is there a negative event going on or about to happen to the business?

Buyers don't want to get on board a sinking ship. If your business isn't doing very well currently and you aren't sure how it can be fixed, or if you know an event is on the horizon that will negatively impact the business, you must be prepared to be honest and transparent with buyers. Failure to do so is the quickest route to a lawsuit once the buyer realizes what's going on, especially if they were led to believe the business was doing well.

Can I provide ongoing support or help with development in the future?

First time business buyers can be quite nervous about the process. Our standard requirement for sellers is to provide 30 days of support via email, but you can offer phone support, video chat, or even on-site support to help ease the new buyer into the process of running your web business. If you built your website yourself, signing a service and upgrades contract can help bring in additional income should the buyer wish to continue utilizing your expertise in the future.

Do I have the time to sell my business right now?

Often, business owners decide to sell their business because they don't have the time to run it properly. But selling a business also requires some time, though utilizing a broker such as FMZ Business Brokers will significantly lessen the burden. You'll need time to gather all your records, get your bookkeeping up to date, communicate with the broker about offers, perhaps develop a business plan to help the business get pre-qualified, and eventually provide training for the new owner. If you are in a serious time crunch due to other commitments, your ability to sell the site may be compromised and you won't get your best price.

Pre-Sale Guide

If you're considering selling your business with help from FMZ Business Brokers, we'd like to get you started with this guide. After all, we can only do our best work for you when we've got all the information we need to market your business to the right people in the right way! Being prepared for potential buyers is also a key ingredient in a fast sale - many businesses will begin receiving inquiries right away, so the sale process can move along much more quickly when you've already gotten the prep work out of the way.

While we'll handle much of the work of selling your business, we need some help from you to build your marketing plan and create a presentation kit for your buyers. If you decide to list with us, we'll provide you with a more detailed and comprehensive version of this guide.

Creating a complete picture is essential to getting you the best price possible. If you provide the most complete records and are the most prepared you can be to sell the website to a new owner, buyers will be more confident about the success potential of buying your business, your business is more likely to be pre-qualified for financing, and deals are less likely to fall through later in the negotiation or due diligence stages.

Records

- » Records of revenue PayPal, credit card processor, cash records, or any other proof of money earned by the business is the number one most important item on this list. Long-term, stable income is the number one thing on the wishlist of most buyers and the longer, more stable the revenue is, the higher a price we'll set for it!
- » Bank account or credit card statements showing what you've spent on the business must also be provided in order to put together the most accurate picture of the life of the business.
- » Traffic statistics from Google Analytics or your hosting provider help to show where your customers are coming from and how many of them there are.
- » Records from Google AdWords or other sources of advertising income will definitely increase interest - advertising revenue is very attractive to buyers, since it's free profit with no work required!
- » Copies of accounting program records such as Quickbooks, Freshbooks, or Quicken.
- » Information from any advertising you yourself ran to generate traffic for the site, such as Google AdWords, Commission Junction, or Bing Ads

Website

- » Many web business owners use their web business's hosting account for personal files. Take the time now to go through the files on your hosting account and ensure that any personal files are removed.
- » If you have multiple websites that are being hosted on the same account, move any websites that are not part of the business for sale.
- » If you're a programmer, do you need programming knowledge to run the site? Many potential buyers won't be coming in with a lot of technical skills, so it is often helpful to create an admin backend now even if you were able to run the site without it. If it's not possible to create an admin back end now, you must make sure to exhaustively document how to do everything that will need to be done, including special situations, to avoid the buyer becoming unhappy or backing out during due diligence.

Knowledge Base

- » You know your site inside and out, but a new buyer won't. Preparing an "everything you need to know" document will help buyers feel more confident about their ability to run a business that's brand new to them, as well as significantly reducing the number of questions that you need to answer.
- » We require all our sellers to provide a minimum of 30 days of support via email, but greater availability to provide help can widen your pool of potential buyers.

Ready to get started on selling your business, or have additional questions?
Contact us at admin@fmzbusinessbrokers.com or through the Contact Us form on our
website, [FMZBusinessBrokers.com](https://www.FMZBusinessBrokers.com).