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FAQ

WHAT IS A STRATEGIC BUYER?

In Mergers & Acquisitions (M&A), a **strategic buyer** is typically another company looking to acquire a business in order to achieve long-term growth goals—not just a financial return. Their motivation is strategic: expanding market share, diversifying products, entering new regions, or strengthening their competitive position.

Unlike **financial buyers**, who focus mainly on return on investment, strategic buyers seek to create **lasting value** within their own organization. This might involve acquiring complementary technologies, gaining access to new distribution channels, or eliminating a competitor.

Strategic buyers usually operate with a clear growth plan and may work closely with investment banks and advisors to identify and evaluate the right opportunities.

When it comes to financing, they have options: acquisitions can be funded with cash, stock, debt, or a mix of these. While debt may be part of the equation, strategic buyers are generally more cautious about overleveraging, since maintaining financial strength is key to their long-term strategy.

In short: Strategic buyers are a driving force in the M&A market. By leveraging their operational expertise and strategic advantages, they aim to create sustainable value through acquisitions—not just for today, but for the future.

WHAT WE DO

BUSINESS VALUATION

What's your business worth today? Find out with an instant estimate.

BUSINESS BROKERAGE/M&A

From planning to closing, Magnus Business Group helps you sell your business smoothly—and for maximum value.

EXIT PLANNING AND PREPARATION

Whether selling or transferring your business, **careful planning is key.** We help you clarify your goals and reach them.

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