







**20
COMPETITIVE
METRICS
EVERY
BUSINESS
NEEDS
TO
KNOW**

THE 20 MOST IMPORTANT METRICS IN BUSINESS
2015

www.peerviewdata.com

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Nobody is an industry of one.

Most companies know they need to benchmark their performance against their industry if they want to stay competitive, but they don't have the resources to do it themselves.

Even companies with dedicated research staff find that the process of aggregating and analyzing all of the available trends and competitive data is not only time consuming and difficult, but expensive.

What's a company to do?

We've created a safe, secure, cloud-based **Competitive Analysis & Benchmarking Tool** that shows companies how they're doing compared to peers and peak performers, and where they should be doing better.

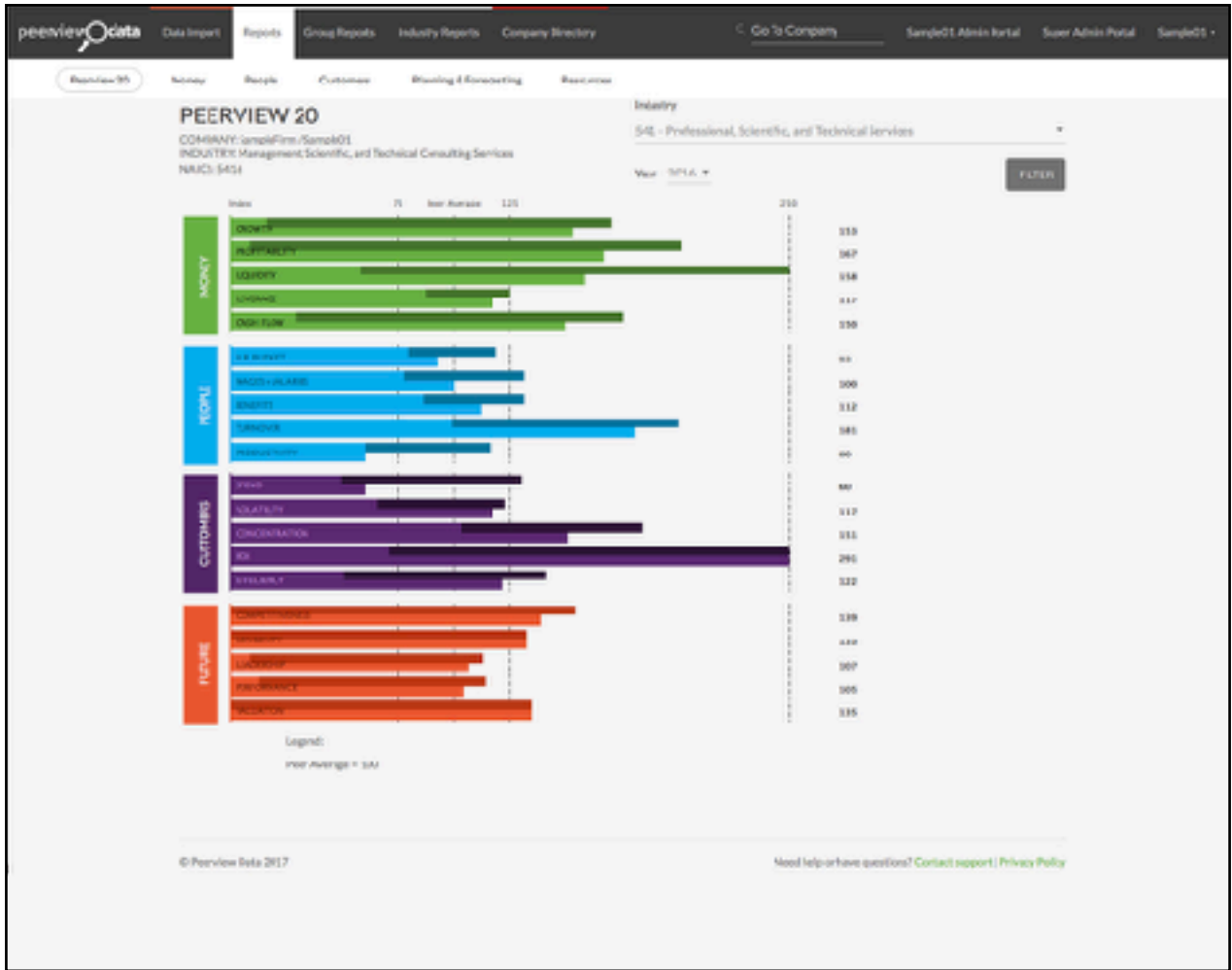
Why?

Data-driven insights → Better Decisions

What you'll find on the pages of this eBook are detailed explanations of the 20 performance metrics our clients use to optimize their growth, value and profitability.

We hope you find them equally insightful.

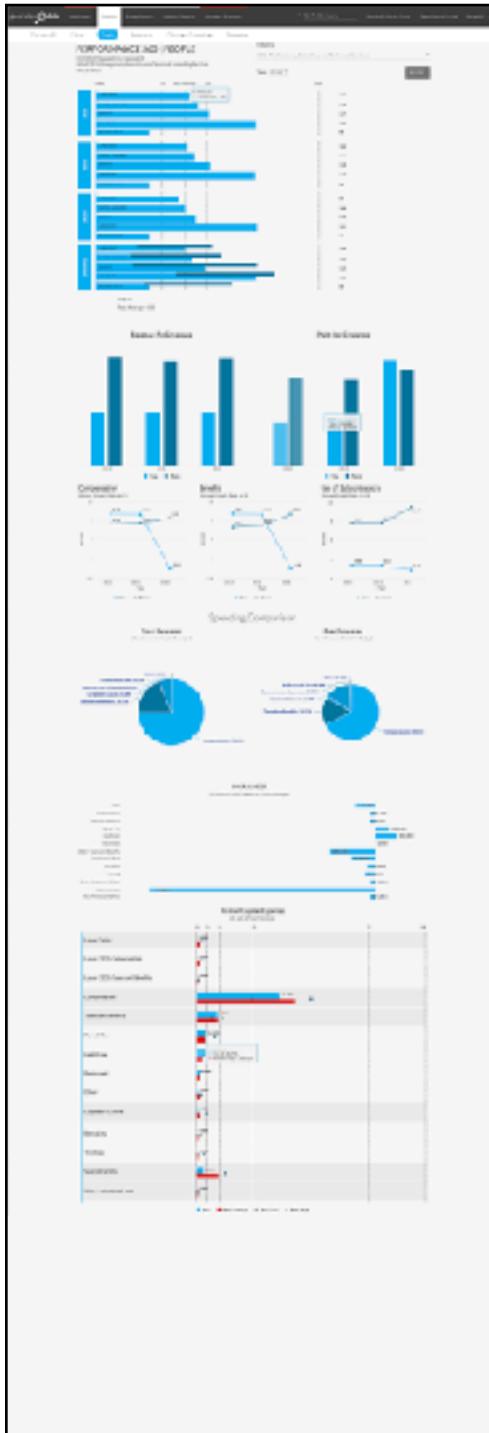
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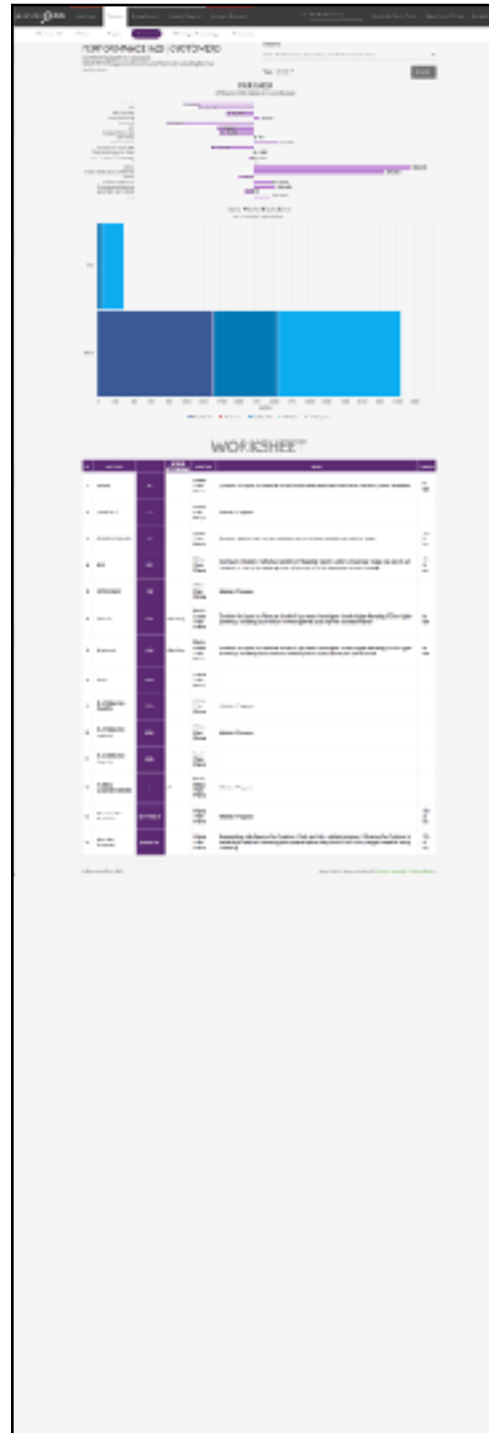
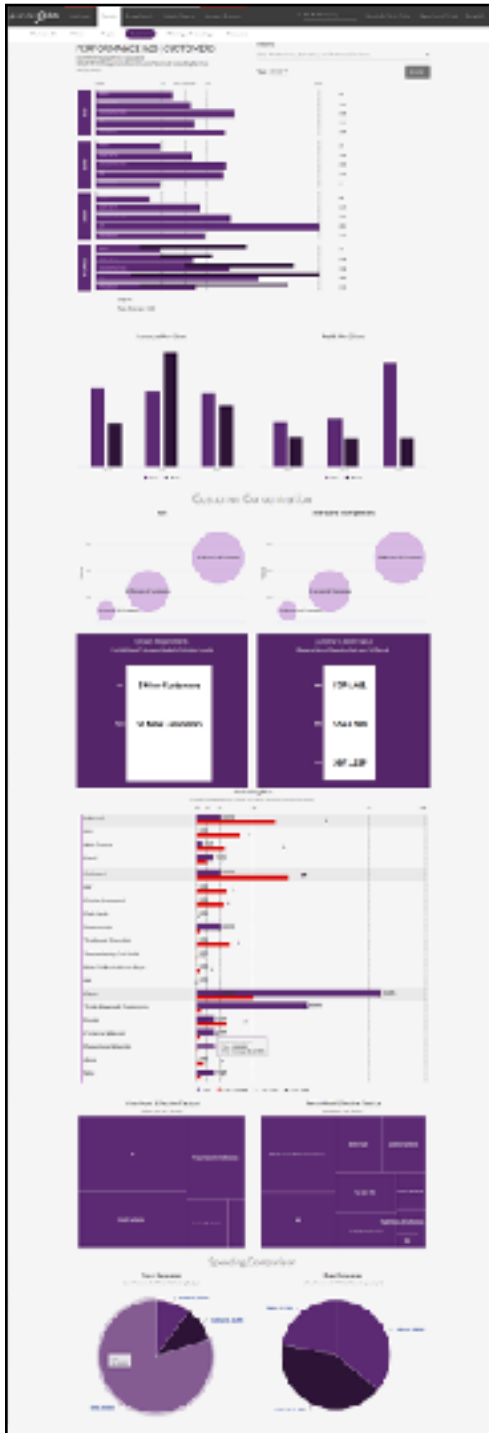
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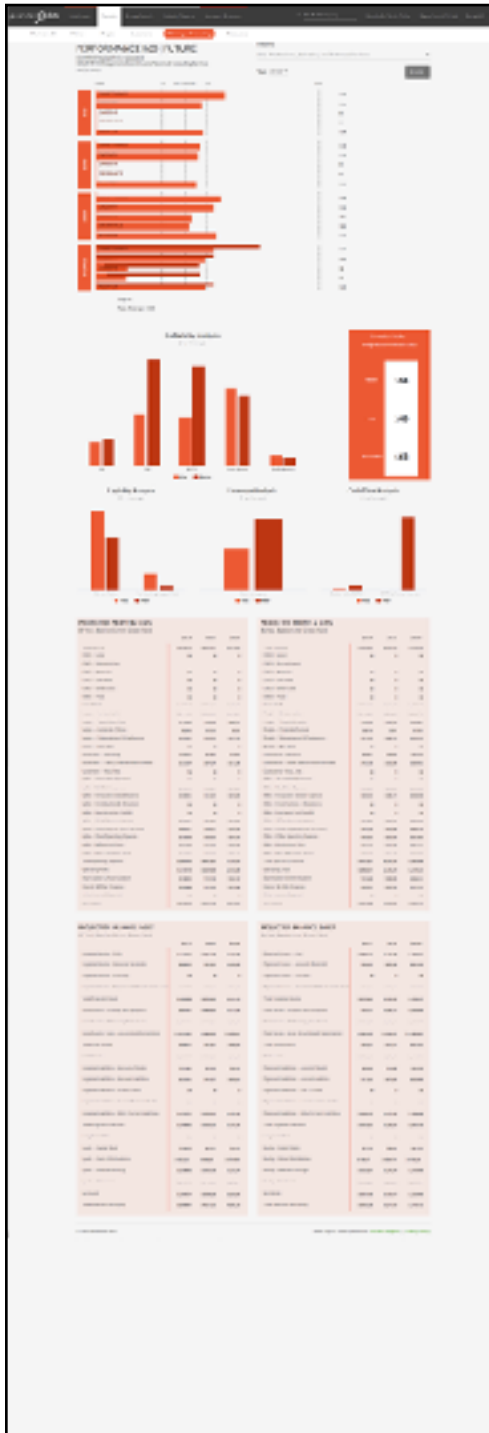
Peerview Data Performance 360: People©



Peerview Data Performance 360: Customers©



Peerview Data Performance 360: Planning & Forecasting©



1

Growth measures the year-over-year change in total company revenue. For most companies it is the single most important metric because it is strong indicator of product/market fit.

→ **Growth Rate** is based on the % increase or decrease in total revenue from year to year.

$$\text{Growth Rate} = (\text{year "B" rev.} - \text{year "A" rev.}) \div \text{year "A" rev.}$$

Because revenue growth can vary significantly both by industry and by year, understanding comparative growth rates is key.

What makes a “growth problem” so hard to diagnose is the scope of possible causes — *in broad terms, it could be price, product, promotion, place, process, partners, people or a combination of all seven.*

The first question to ask is “How does our performance compare to our competitors?” If declines are industry-wide, the best course of action might be to understand if the situation is temporary — *part of an unexpected economic downturn like the 2008 Recession, for example* — or permanent — *caused by a sudden shift or disruption, like the way Uber upended the taxi business.*

If slowing or stagnating growth is unique to the company and not cyclical, further investigation is required.

In this case, other comparative performance metrics — profitability, productivity, concentration, efficiency, ROI, competitiveness, longevity, etc. — would be used differentially to isolate and identify the root cause or causes, ruling out areas where the company performance is on par with competitors and focusing on weaknesses.



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2

Profitability measures a company's ability to generate earnings relative to Sales, COGS, OpEx, etc... in both the short and long term. Because a company can make a profit but not be profitable relative to its competitors, or in light of other potential uses for the company's assets, analysts rely on **profitability metrics** to gauge how effectively or ineffectively a company is being managed.

→ **Profitability metrics** assess a company's ability to generate earnings, profits and cash flows relative to some key metric, often the amount of money invested. Different metrics provide different insights into the financial health and performance of a company, and are often looked at in combination.

Gross Margin/Gross Profit

Gross margin reveals what a company earns minus the costs that it incurs while producing its products or services. It is a good indication of how profitable a company is at the most basic level, how efficiently it uses its resources, materials, and labor, and how well it controls its costs.

Net Profit

Net Profit shows how much of each dollar in revenue is left after all expenses have been paid. Higher is generally better, but this metric should always be evaluated in light of whether a company is focused on growth, value or profitability.

Earnings Before Interest Taxes Depreciation and Amortization (EBITDA)

EBITDA measures a company's financial performance by computing earnings from core business operations. It is used to evaluate companies in the same industry with widely different capital structures, tax rates, and depreciation policies.

Return on Assets (ROA)

ROA indicates how efficiently a company generates profits from its overall resources, rather than by using leverage. It varies widely across industries, so should be used only with direct competitors.

Return on Capital Employed (ROCE)

ROCE measures the return a company achieves from its long-term funds and indicates the efficiency and profitability of its capital investments. In general, ROCE is good when it is greater than the rate at which the company borrows.

Return on Equity (ROE)

ROE measures how profitably a company employs its equity. Higher is better, unless a company is heavily leveraged. In the U.S., average ROE is 10-12 percent.



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3

Liquidity is a measure of a company's ability to satisfy its short-term obligations as and when they fall due, meaning it has enough money to make payroll on time, cut checks to suppliers that won't bounce and keep the lights on. Analysts typically look at **Liquidity Ratios** and **Net Working Capital** to determine whether or not a company can do this.

→ **Liquidity ratios** reveal the number of times short term debt obligations are covered by cash and other liquid assets. In general, the higher the ratio the higher the margin of safety, with values of 1 to 2 indicating that the company is in good financial health and it is less likely fall into financial difficulties.

Current Ratio Formula

$$\text{Current Ratio} = \text{Current Assets} \div \text{Current Liabilities}$$

As a general rule, a current ratio that is too high indicates over-investment in current assets that could otherwise be used to produce income; a current ratio that is too low means there may not be enough current assets to meet short term financial obligations.

Potential creditors use this ratio in determining whether or not to make short-term loans.

Quick Ratio Formula

$$\text{Quick Ratio} = (\text{Current Assets} - \text{Inventory}) \div \text{Current Liabilities}$$

The quick ratio provides a more conservative measure of liquidity than the current ratio because it excludes inventory. In general, the optimal quick ratio is 1:1 or higher, which means that current liabilities can be met from current assets without the need to sell inventory.

→ **Net Working Capital** can be positive or negative, depending on how much debt the company is carrying. As a rule of thumb, companies that have a lot of working capital will be more successful since they can expand and improve their operations. When a company has negative net working capital it usually means it lacks the funds necessary for growth, except in certain industries (like retail grocery) where net working capital is negative because operations are funded by suppliers.

Decreases in working capital over time are especially worrying as they suggest a company is becoming over-leveraged, is struggling to maintain or grow sales, is paying its bills too quickly, or is collecting receivables too slowly.

Net Working Capital Formula

$$\text{Net Working Capital} = \text{Current Assets} - \text{Current Liabilities}$$



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DISCUSS



FIX



4

Leverage is a measure of the short-term and long-term solvency of a company, indicating whether or not it has adequate resources to cover its financial obligations when creditors and lenders seek payment. Analysts typically rely on **Leverage Ratios** to determine this, factoring in both trend and industry performance data to gain a more accurate picture of acceptable risk.

→ **Leverage** is the strategic use of debt to acquire assets in the hope that the income generated from those assets will be greater than the cost to service that debt over time.

For the most part, the greater the debt, the greater the risk — *companies that are highly leveraged are more likely to go bankrupt than companies that aren't.*

On the other hand, a company that has low levels of debt may not taking proper advantage of growth opportunities that additional leverage may provide.

Debt Ratio

$$\text{Debt Ratio} = \frac{\text{Total Liabilities}}{\text{Total Assets}}$$

Debt Ratio shows how much a company relies on debt to finance assets: a ratio of less than 0.5 suggests the company's assets were financed through equity; a ratio greater than 0.5 suggests they were financed through debt.

“Normal” values are typically between 0.6-0.7, but can vary by industry.

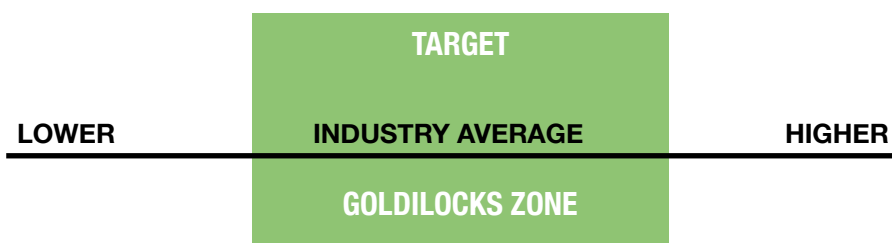
Debt-to-Equity Ratio

$$\text{Debt-to-Equity Ratio} = \frac{\text{Total Liabilities}}{\text{Equity}}$$

Debt-to-Equity Ratio is the gold standard for judging a company's financial standing. Optimal debt-to-equity is generally considered to be 1, with most companies averaging 1.5 to 2.

(Some large public companies will go higher than 2, but for most small to medium-sized companies this would be considered unacceptable.)

Of special interest is trend analysis because if the ratio is increasing it indicates the company is being financed by creditors rather than from its own financial sources, which may suggest sales, operations or management problems.



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5

Cash Flow measures the amount of money a company has generated over a specific period of time. It is often overlooked because most companies are primarily focused on revenue and net profit, yet many analysts feel it's a better indicator of overall financial health. *(If for no other reason than it's much harder to inflate or manipulate.)*

→ **Cash Flow** and **Cash Flow Management** shows how money moves into a company, how long it stays there, whether or not there is a sufficient amount of it to provide for day-to-day operations, and how it flows out of the company.

Cash can be generated in one of three ways: operations (current assets like accounts receivable and liabilities like accounts payable), investing (facilities, equipment and investments), and financing (short-term, long-term and dividends).

The challenge is that even “profitable” companies can go broke if they have all their money tied up in assets and can't pay their expenses. This means that no matter what a company is focused on — growth, profitability or value — it can't survive without adequate cash flow.

As the saying goes, “revenue is vanity, cash flow is sanity, cash is king.”

Key formulas include:

Operating Cash Flow

$$\text{Operating Cash Flow} = \text{Cash from Ops.} \div \text{Current Liabilities}$$

Price/Cash Flow

$$\text{Price/Cash Flow} = \text{Share Price} \div \text{Cash from Ops. per Share}$$

Cash Flow Margin Ratio

$$\text{Cash Flow Margin Ratio} = \text{Cash from Ops.} \div \text{Net Sales}$$



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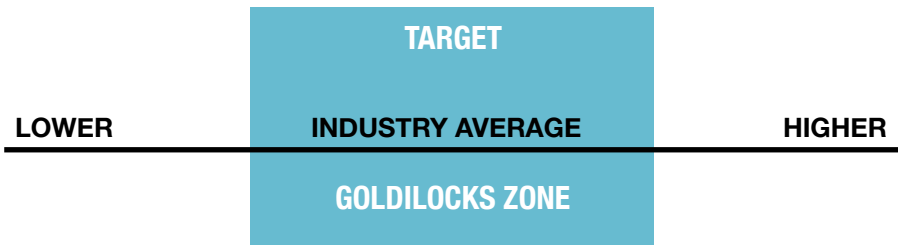
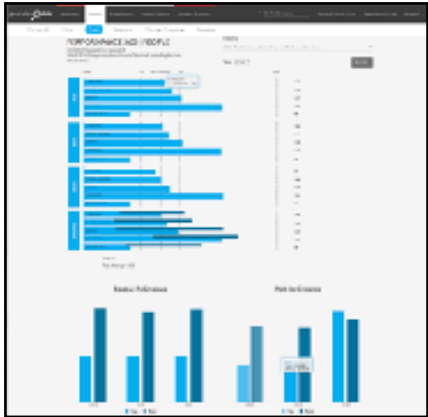
Human Resources Budget measures the comparative efficiency of a company’s people-related expenditures: compensation, taxes & benefits, corporate culture and outsourced talent. Beyond benchmarking, this metric can also point to disconnects between needs/priorities and the resources being allocated to implement them, thus highlighting shortcomings.

→ **Human Resources** is best understood as the collection of internal investments a company makes toward maintaining/improving its longterm growth, value and profitability. These investments fall into four categories — compensation (fixed and variable), taxes & benefits (healthcare, retirement and payroll taxes), corporate culture (training, recruiting, “perks” and community-building”) and outsourced talent/subcontractors. These are all influenced by industry standards and company objectives.

For example, high **Productivity** coupled with average **Budget, Wages & Salaries** and **Benefits** suggests a company that has optimized its culture to encourage employees to maximize their efforts; low **Alignment**, low **Productivity**, high **Wages & Salaries**, low **Benefits** and an average **Budget** could indicate that a company’s compensation plan is strategically flawed and needs to be evaluated in greater detail.

The Human Resources Budget Index tells companies if their overall spending is higher, lower or in line with competitors, and as such provides companies with a solid “ballpark” metric.

It becomes diagnostic when the balance between it and the other H.R. metrics — **Wages & Salaries**, **Benefits**, **Alignment** and **Productivity** — is considered, enabling companies to identify areas where they may have competitive advantages or disadvantages, or may be under-spending or over-spending.



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Wages & Salaries measures the comparative efficiency of a company's total expenditure on wages & salaries: *if a company pays its people more than its competitors, it ranks high; if it pays its people less, it ranks low.* A valuable benchmarking tool on its own, it can also be used to assess hidden strengths and weaknesses when considered alongside other H.R. metrics.

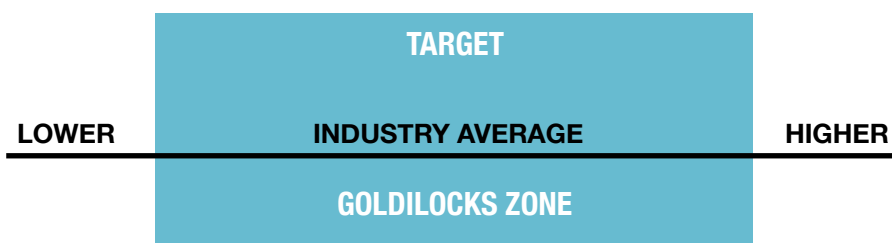
→ **Wages & Salaries** is primarily a “ball park” metric that tells companies whether or not their overall compensation levels are on par with industry norms or standards — i.e. *“Do we pay our employees more or less than most of our competitors?”*

When used in this way, it provides insights that can be used for budgeting, recruiting and structuring employee advancement packages.

(For companies that choose to practice transparency, sharing this information can also impact morale.)

As a diagnostic tool, this index can be evaluated along with the other H.R. metrics — **Budget, Benefits, Alignment** and **Productivity** — to point out hidden strengths and weaknesses, suggest hidden opportunities, and even validate strategic investments in training, culture, etc.

Because this metric doesn't segment compensation by role or responsibility, it can be skewed by extreme outliers and therefore can't be used on an individual basis.



NOTE



Benefits Index measures the comparative efficiency of a company’s total expenditure on benefits. As costs in this area have skyrocketed over the past few years, increased attention is being paid to this index. Primarily used to benchmark spending, it can also be used as a strategic tool when negotiating with vendors.

→ **Benefits** is both a “ball park” metric that tells companies whether or not their typical benefits package is on par with industry norms and standards — i.e. *“Do we spend more or less on benefits than most of our competitors?”* — and a diagnostic metric that can suggest over-spending — i.e. *“Is our benefits provider giving us a good deal?”*

Because most companies are fairly aggressive in terms of providing “competitive” benefits, H.R. managers usually have a good sense of how they compare: those who choose to provide more generous benefits would expect to rate higher than those who choose to provide less generous benefits.

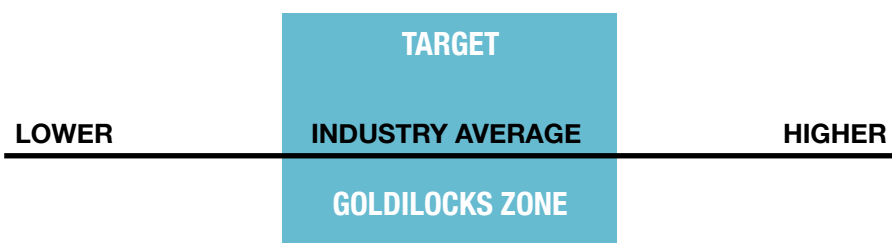
In this way, **Benefits** provides a good “gut check” for budgeting.

Where it can be diagnostic is when expectations don't match reality: a company expects to be “average” — a *little above or below 100* — but finds that it's 130 or 140 instead.

What does this mean?

It could be that the company isn't as competitive as it thinks it is, but it could also mean that while the benefits plan the company offers is competitive, the administrative fees it's paying its benefits provider are high.

In either case, an assessment is in order.



INVESTIGATE



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9

Turnover is a performance metric that measures the movement of human capital in and out of a company. Because employees can usually sense problems before they become public, being above or below industry averages can be a strong indicator a company’s overall “health.”

→ **Turnover** shows how much of a company’s workforce is being replaced in any given year.

$$\text{Turnover} = \frac{\text{\# of employees who left}}{\text{total \# of employees}}$$

Often dismissed as “uncontrollable,” turnover is actually a critical performance metric that not only directly impacts profitability, but also suggests how well a company is being run and whether or not it’s being led in the right direction.

In terms of the bottom line, whatever it costs to replace exiting workers would otherwise go toward boosting net income — *30% to 400% of an employee’s annual salary according to the Center for American Progress:*

- 30% to 50% for entry-level workers
- 150% for mid-level workers
- 400% for C-suite or highly specialized workers

In terms of management, high turnover can be a red flag for internal problems because good workers don’t typically stick with bad companies.

More to the point, when you look at what factors influence turnover, it’s clear that well-run companies can and should be able to manage for them:

1. ability/skill of employee’s immediate manager
2. bad fit/low engagement (employee doesn’t have the skills, talent, temperament, drive, etc.)
3. a lack of commitment to quality on the part of the company
4. pay and benefits
5. culture/connection to senior management

Because turnover rates vary by industry, however — *CPAs change jobs less frequently than creative directors, for example* — it’s important to put turnover rates in their competitive context to accurately assess the situation.



UNDERSTAND



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Productivity is a performance metric that measures the comparative impact of a company’s employees on overall revenue and profitability.

→ **Productivity** answers the question: *compared to other companies in my industry, how much do my employees contribute to my company’s bottom line?*

Where other indexes factor in qualitative insights and make value judgements — *indicating something is “good” or “bad”* — **Productivity** simply compares the total revenue generated per employee, and as such is primarily used to benchmark overall performance, especially over time.

In some situations, it can also be used as a planning tool to estimate incremental sales.

One thing to keep in mind in all instances is that revenue-per-employee can vary considerably by industry, location, life-cycle, product mix, deals and discounts, loss and any number of other factors that may need to be identified and understood before any action is taken.



INVESTIGATE



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Marketing Spend shows how much a company invests in marketing compared to its competition, including both hard and soft expenditures. When considered in an absolute sense, it's an ideal benchmarking tool; when looked at in relation to other marketing metrics it provides meaningful tactical insights.

→ **Old question, new answers.** When it comes to marketing, most companies ask two questions: “How much should we spend?” and “What should we spend it on?”

The answers to these questions used to be driven by tradition, instinct and even whim, but now we have data: companies can know — with reasonable confidence — how much they should invest in their marketing efforts and where they should invest it, whether that means putting it into inbound (*email, social media, web/internet content, SEO, podcasts, etc.*), outbound (*radio & TV commercials, print ads, telemarketing, PPC, daily deals, banner ads, etc.*) and “other” marketing channels (events, trade shows, brochures, conferences, etc.).

Marketing Budget Ranges

As expected, spend varies dramatically depending on the industry, the company size and even the age of the company, ranging from 1% of sales on up to 30% of sales.

How much should a company spend?

A handful of rules-of-thumb compiled from a meta-analysis of different studies suggest the following ballpark budgets (including labor, both internal and external):

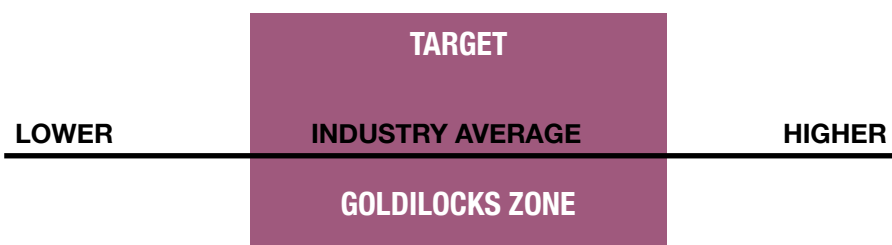
B to B: 8% to 10%

B to C: 9% to 13%

Generic start-ups: 3% to 5%

Internet-based/eCommerce-driven: 15% and up

SaaS: 20% to 30%



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Volatility is a “red flag” metric that assesses the relative risk a company faces given its profitability profile and the make-up of its customer base. Though not prescriptive, it is immediately actionable, suggesting companies that score poorly need to take a hard look at their targets, relationships and/or margins.

→ **Volatility** asks the question: “What would happen to a company if it suddenly lost its most valuable customer? Could it survive? Or would it be irreparably harmed?”

Because “norms” vary by industry — companies with high-volume, low-margin customers are in a stronger position than companies with low-volume, high-margin customers — it’s essential for a company to understand how its individual performance fits within the broader competitive framework: scoring the same as peers suggests margins and customer concentration levels are balanced as well as can be expected; scoring lower than peers suggests the company is at risk and the revenue stream is fragile; scoring higher suggests the company is performing better (though it should be noted that scoring too high hints that there may be enough room in margins to warrant growth-oriented investments in infrastructure, equipment, marketing, HR, etc.).

Low Volatility Recommendations:

1. Expand and diversify customer base, first by creating client “personas” to identify potential targets, then developing marketing campaigns to reach them.
2. Audit existing customer base to ensure maximum profitability.
3. Strengthen/secure existing relationships with most valued customers to minimize risk of loss.



TARGET

LOWER

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HIGHER

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13

Concentration is a comparative assessment of % of sales from % of customers. By benchmarking **Customer Concentration Ratios** on an industry-by-industry basis, it suggests “norms” a company can use to evaluate and optimize the overall make-up of its customer base.

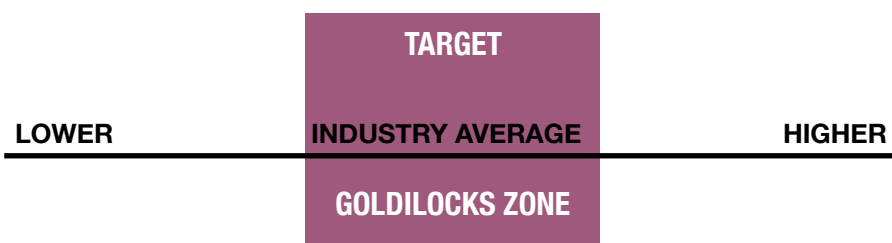
→ **Concentration** assesses both risk and efficiency vis-a-vis a company’s customer base. This index standardizes **Customer Concentration Ratios** across specific industries so individual companies within those industries get to see their scores in context. This is important because a ratio could be “average” for one industry, “high” for another, and yet be “low” in the absolute sense.

(Ratios that are high mean too much of a company’s revenue is dependent on too small a customer base; ratios that are low mean sales are more evenly distributed, but also suggest efficiencies are being lost.)

By benchmarking industry norms, it’s possible to distinguish between concentration levels that are problematic and concentration levels that are simply the “price of entry.”

Recommendations for companies scoring lower than their peers:

1. Evaluate marketing strategy and specific tactics to ensure proper targeting
2. Audit product/service mix to ensure specific appeal
3. Map customer experience to ensure maximum engagement



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Marketing ROI is a measurement of the comparative efficiency of a company’s marketing expenditure, tracking relative “bang for buck.” It provides a good “top level” read on the efficacy of a company’s overall marketing efforts, but doesn’t drill down enough into channel specifics to be prescriptive.

→ **Marketing ROI** is an effective way to gauge the overall impact of a company’s marketing efforts on gross revenue, but doesn’t easily distinguish between correlation, causality and coincidence.

For companies that track and measure their efforts on a case-by-case basis, using only those tools and tactics that deliver identifiable sales, the relationship is clear. This means highs or lows can be responded to with specific spending adjustments; for companies that are less-sophisticated, or are in industries that typically focus more on generating broader awareness, recommendations are less prescriptive but equally actionable, such as re-evaluating mix, testing various channels, doing a brand audit, etc.

(Looking at ROI in conjunction with a breakdown of specific spending levels for “inbound,” “outbound” and “other” types of marketing can often point to hidden weaknesses and suggest potential solutions.)

ROI

ROI = (Benefit - Cost) ÷ Cost

One key difference between this algorithm and more traditional ROI formulas is that it factors in the many “non-specific” marketing efforts owners and executives engage in, like networking, giving speeches, attending conferences, sharing content on social media, etc.



INVESTIGATE



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Efficiency is a comparative assessment of the on-going effectiveness of a company’s sales & marketing efforts. Because it benchmarks performance on an industry-by-industry basis, it provides “norms” a company can use to gauge overall performance, but needs to be considered along side other metrics to be prescriptive.

→ **Efficiency** answers the question: Compared to other companies, how much revenue does my company generate per customer? Is it more? Less? About the same?

In the absolute sense, **Efficiency** is an ideal benchmarking tool — especially when looked at over time — because it suggests that whatever a company is doing to generate sales is working: high **Efficiency** is good, low **Efficiency** is bad.

What it doesn’t do is explain *why*, which is why it’s important to consider this index along side others, especially **Profitability**, **Concentration** and **Volatility**.

For most companies, the ideal would be high **Efficiency** + high **Profitability**: high **Efficiency** + low **Profitability**, on the other hand, suggests margins are being compromised through discounts or artificially low prices that might be unsustainable.

In terms of **Concentration**, generating substantial revenue-per-customer — high **Efficiency** — would be desirable as long as the majority of that revenue came from a good balance of customers — i.e. average **Concentration** — and not a small number of customers — i.e. high **Concentration**.

(While this situation would be “red flagged” by **Volatility** if **Profitability** were also high; it would still be problematic if **Profitability** were low because that would suggest a lot of revenue is coming from a small number of customers that may not be generating healthy enough margins to be sustainable in the long run.)



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DISCUSS



Competitiveness is a performance metric that assesses a company’s ability to compete against its peers.

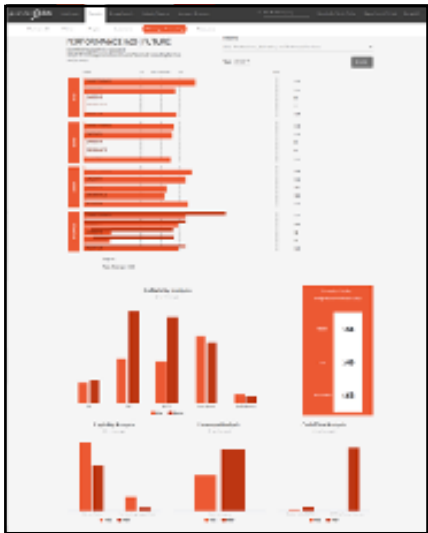
→ **Competitiveness** benchmarks raw performance, prioritizing growth and productivity over everything else and bluntly answering the question: Is a company winning? Or losing?

Because past performance is often an indication of future performance, it can be mildly predictive.

What this index doesn’t do is assess the make-up or nature of a company’s **Competitiveness** — *if a company is jacking up revenue by wantonly slashing costs, sacrificing slim margins so it can undercut its competitors or incentivizing its sales force in a way that will almost certainly blow back in the long-term, this index doesn’t “care.”*

For some companies, that’s okay.

When this index is considered alongside other indexes, however, it can paint a more detailed picture — evaluated against earnings, **Profitability** and **Efficiency**, it begins to gauge quality; when looked at next to **Human Resources Budget**, **Marketing Spend** and op-ex growth rates, it can suggest a need for decisive cost containment; with **Longevity**, **Money**, **People** and **Customers**, it can be a bellwether for future success.



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Longevity is a viability metric that assesses a company's ability to sustain itself over the long-term.

→ **Longevity** looks at a company's business fundamentals and asks the question: Compared to its peers, how well is this company positioned for the future? Is it being managed in such a way that it could sustain itself in the years to come, even if there was an economic downturn?

Where other indexes primarily describe how well a company is doing *today* compared to peers and peak performers, this one is intended to suggest — to a degree — how well a company is positioned for *tomorrow*.

At its heart, it is rooted in the idea that a business needs two things to succeed over time: the resources necessary to go to market (as indicated by an assessment of **Cash Flow**, **Leverage**, earnings and various human capital investments) and the on-going capacity or capability to compete for clients and customers in that market (as indicated by **Productivity**, **Concentration**, **Volatility**, earnings and historical growth rates).

Companies that are positioned to undertake those challenges today are more likely than their competitors to be positioned to undertake those challenges tomorrow.

(One word of caution for companies that score low: because many of the underlying variables could reflect "one-time" management decisions — *i.e. strategic pivots, tactical re-deployments of resources, write-offs, etc.* — it's important to first eliminate obvious explanations for downward trends before undertaking a formal review of business practices.)



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Leadership is a performance metric that compares you to your competitors in terms of how well you believe you and your executive team are managing your people.

→ **Leadership** is what separates great companies from mediocre ones, but it's not the same thing as managing.

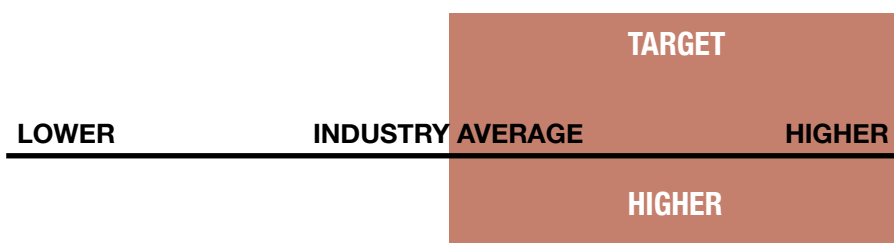
As business guru Tom Peters put it, *“Management is about arranging and telling. Leadership is about nurturing and enhancing.”*

What's the secret?

According to the Harvard Business Review, great leaders discover what is unique about each person and then capitalize on it.

They inspire, empower and unleash talent. (Sometimes with a carrot; sometimes with a stick.)

While there is no single “best way” to lead — *styles range from commanders to servants to pace setters, just to name a few, and seem to arise from each person's nature and personality* — the impact is always the same: effective leaders consistently manage to raise the overall level of performance, getting more out of their people than even their people thought they were capable of.



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Performance is a comparative metric that rates overall satisfaction levels — *how happy owners and/or C-suite executives are* — with rank and file employees on a day-to-day basis.

→ **Performance** is a key management metric because people are a key resource for most companies.

Because it's based entirely on management's perception — *and therefore 100% influenced by the unique combination of expectations, priorities, styles and values that person or persons hold* — it's actually more about management's day-in-day-out effectiveness than an assessment of how well or poorly employees are really doing.

Why?

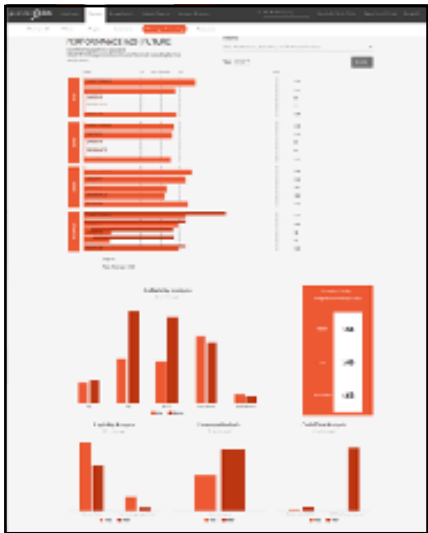
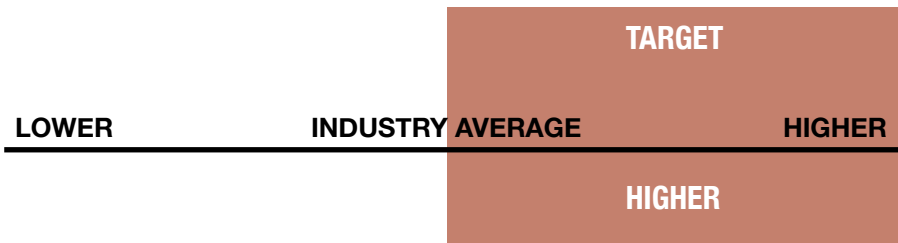
If a business owner or executive isn't happy with his or her people, he or she needs to do something about it.

Not acting = not managing.

What if a company is underperforming in this area?

Most employees want — *and can* — meet or exceed expectations if given a chance, which means managers need to take the initiative and make sure they do three things:

1. Be clear.
2. Set specific expectations.
3. Reward effort (both privately and publicly)



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Valuation is a comparative performance index. It doesn't measure the actual value of a company, but instead compares the underlying factors that are typically used to calculate value.

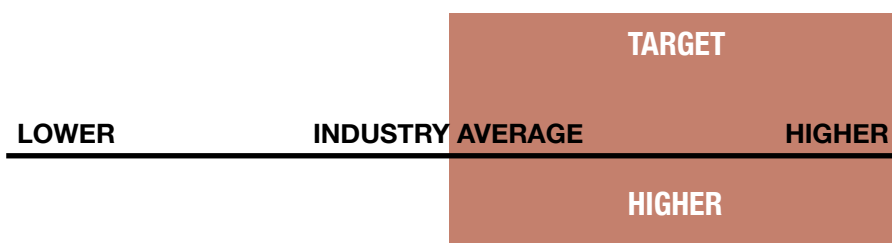
→ **Valuation** provides a snapshot of a company's current performance as viewed through the lenses of its relative "worth."

While it doesn't directly answer the question "How much is this business worth?" it does try to answer the question "Would this company be worth more or less than its competitors if it were put up for sale right now?"

From a management standpoint, the implications are clear:

- companies that score highly are doing better
- companies that score below-average are doing worse

NOTE: While determining the actual market-value of a company depends on highly specific data that changes dramatically depending on the industry, the timing of any actual sale/acquisition and the resources, intent and predisposition of any potential buyers, **valuation** can act as a good "first step" for companies interested in being sold because it relies on many of the same apples-to-apples comparisons at the heart of the most common valuation methods.



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**NOBODY
IS AN INDUSTRY
OF ONE.
EVERYBODY COMPETES
FOR CUSTOMERS
AND CLIENTS.
IF YOU WANT TO EARN
MORE, SPEND LESS AND
GROW FASTER, PUT YOUR
PERFORMANCE DATA TO
WORK.**

See how our safe, secure
Competitive Analysis &
Benchmarking tool can help you
make better, more-informed
decisions about the best way to
move forward.

peerview  data

BECAUSE PERFORMANCE IS RELATIVE

