



# Datasite Forecaster Spotlight on consumer M&A

Trends based on Datasite's proprietary,  
aggregated, and anonymized transaction data



# The Datasite view:

## Definitions

We have developed the following definitions to provide clarity on how we are filtering and categorizing our data, which is all aggregated and anonymized.

### Definitions

- **Deal.** Datasite projects categorized as a financial transaction, including asset sales, asset purchases, capital raises, mergers, restructurings, and partnerships & collaborations
- **Sell-side.** Datasite projects categorized as an asset sale or merger
- **Kickoff.** The day a new data room is created in Datasite Diligence or Datastie Acquire
- **Deal close.** When a deal successfully completes according to the deal administrator. Deal close benchmarks are based on 1 out of 100 deals

### Regions

US Northeast: Connecticut, Massachusetts, Maine, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont

US South: Alabama, Arkansas, Washington DC, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia

US Midwest: Iowa, Illinois, Indiana, Kansas, Minnesota, Michigan, Montana, North Dakota, Nebraska, Ohio, South Dakota, Wisconsin

US West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, Wyoming

Nordics: Norway, Sweden, Denmark, Finland, Iceland





## Consumer deals take flight as economic conditions stabilize

The outlook for consumer M&A looks bright, with sell-side deal launches jumping 28%, according to our rolling six-month pipeline of December 2023 to May 2024 compared to the same time the year before.

### Three takeaways:

- 1** Pent-up demand may be driving a lot of this activity. The consumer M&A pipeline dropped 14% in 2023 compared to 2022, as dealmakers evaluated inflation's impact on consumer pricing.
- 2** The EMEA pipeline is surging, up 30% from the same time last year. Deal success rates also are up, except in the mid-market deal range.
- 3** Finally, mid-market consumer deals in the Americas are experiencing a moment, with deal close rates up four percentage points from the same period last year.

### Consumer six-month scorecard

Sell-side activity: December 2023 - May 2024 compared to the same period the year before

	Sell-side pipeline	Deal close pp change	Mid-market deal close pp change*
Global	▲ 28%	▲ 1%	▲ 1%
AMERS	▲ 21%	▼ -1%	▲ 4%
EMEA	▲ 30%	▲ 3%	▼ -2%

## Consumer regional rankings by total sell-side kickoffs and successful deal close

Momentum is one thing, but where are the most deals being kicked off and successfully closed? Here we ranked regions by total sale kickoffs and successful closes based on a rolling 12-month timeframe from April 2023 - May 2024 compared to the same period the year before.

### Three takeaways:

- 1 The US South kicked off the most consumer deals over the last 12 months, dislodging the US West from its top spot from the same period the year before. The spike in activity may come at a price, however; the US South dropped in the number of total successful deal closes.
- 2 On the flip side, the US Midwest took the top spot in terms of successful consumer deal closes. This is despite dropping to last in the list of sale kickoffs.
- 3 Meanwhile, Germany was the only EMEA region to move up the regional ladder, ranking fourth on both kickoffs and deal closes.

### THE 12-MONTH VIEW

#### Top five regions by total sell-side kickoffs

April 2023 – May 2024 compared to the same period the year before

	2022-2023	2023-2024
1	US West	▲ US South
2	US South	▲ US Northeast
3	US Midwest	▼ US West
4	US Northeast	▲ Germany
5	France	▼ US Midwest

#### Top five regions by total deal closes

	2022-2023	2023-2024
1	US West	▲ US Midwest
2	US Midwest	▲ US Northeast
3	US Northeast	▼ US West
4	US South	▲ Germany
5	Germany & France	▼ US South



## Consumer 2H outlook: Look for waves of closes

Consumer deal kickoffs have been on a rollercoaster ride over the last six months, with spikes in January and April. As a result, dealmakers should expect waves of deal announcements starting in September.

### A note on our data:

Deal numbers may uplift slightly over time as unknown deals get reclassified.

## Global consumer sell-side deal kickoffs

■ 2022-2023 ■ 2023-2024 ■ Monthly kickoffs YoY

-16% 94% 35% -1% 82% 23%



Dec Jan Feb Mar April May





## Conclusion

Consumer M&A deal flow looks bright for the rest of 2024.

### Questions we're tracking:

- As the EMEA surge of sell-side deals moves through the pipeline, will close rates in the mid-market improve?
- How will the spikes in deal kickoffs resolve toward the end of the year?
- Will the Americas consumer sector catch up to EMEA in deal kickoffs while maintaining traction in mid-market deal closes?







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