

How to Defend the Multiple

Marketing-Lane Documentation for CEPAs

Preparing owners for the questions buyers actually ask at the deal table.

Buyers discount value stories that don't come with systematic proof that revenue quality and strategic assets have really changed.

By the time a Decide Gate conversation starts, every owner has a value story. The plan is in place. The advisors have done their work. The owner can articulate what's been built.

Then the buyer's diligence team opens the books.

What happens next decides whether the multiple expands, holds, or compresses by a turn or two. And what happens next is rarely about EBITDA. It's about whether the value story comes with proof — evidence that revenue is high quality, that customer relationships will transfer, and that strategic assets exist independently of the founder.

Without that proof, even strong stories get discounted. Concentration gets re-priced. Churn assumptions tighten. Retention multiples flatten. Brand equity is treated as goodwill the buyer won't pay for.

This is where most exit plans quietly leak value at the table. Not because the work wasn't done — but because the work wasn't documented in the language the buyer evaluates.

For a CEPA, that's the gap to close. And much of it sits in the marketing lane.

What “marketing” means in the deal context

Most owners — and most advisors — think of marketing as activity. SEO. Social. Lead generation. Maybe content. It's the job description of a CMO or an agency.

Buyers don't think about marketing that way at all. To them, marketing is the system that produces and proves four things:

Revenue diversification — the company isn't dependent on a few customers, channels, or relationships.

Revenue durability — what's earned this quarter is likely to be earned next quarter, with or without the founder.

Account expansion capacity — the existing customer base is a pipeline, not a static block of revenue.

Strategic positioning — the company commands authority, pricing power, and inbound demand its competitors don't.

Notice what's missing from that list: campaigns, ads, posts, leads. Those are inputs. Buyers price the outputs — the structure of the revenue base and the strength of the strategic assets that produce it.

The Exit Planning Institute calls this Customer Capital — one of the four intangible capital categories the value gap is built from. Marketing is the function most directly responsible for building it. And it's the category most likely to be quietly eroding while everyone is focused on top-line growth.

For a CEPA, the practical question is this: what does Customer Capital look like when it's documented well enough to defend a multiple? The rest of this paper answers that.

The five marketing-lane documentation categories

Across \$5M–\$50M owner-led companies preparing for exit, the same five categories surface in diligence again and again. Each one is measurable. Each one has a documented before/after that buyers can verify. Each one moves the multiple in a predictable way.

1. Customer concentration

DILIGENCE QUESTION

Is revenue concentrated in too few hands?

When more than 25% of revenue depends on a single customer, multiples typically compress by one to two turns. Buyers don't see the revenue — they see the risk that the relationship walks.

FIRST MOVE · 90-DAY TARGET

Map current revenue by channel and segment, identify the two highest-potential alternatives, and launch pilot programs with dedicated budgets. Target: two new channel or segment initiatives generating measurable initial revenue inside the quarter.

WHAT DOCUMENTATION LOOKS LIKE

A revenue-concentration scorecard at Prepare Gate entry, the diversification thesis, the pilot programs launched with dates and budgets, and the revenue distribution at exit — with a clear narrative connecting the change to deliberate effort.

2. Recurring revenue

DILIGENCE QUESTION

Is revenue predictable, or does the company start every quarter at zero?

Recurring-revenue businesses trade at two to three times the multiple of project-based businesses. A \$5M company with retainers can outvalue an \$8M project shop at the deal table.

FIRST MOVE · 90-DAY TARGET

Analyze churn by cohort and offer type, identify the top three drivers of cancellation, and test premium tiers or add-on modules for existing subscribers. Target: NRR at 105%+ and one new recurring offer tier launched.

WHAT DOCUMENTATION LOOKS LIKE

Percentage of revenue under contract or retainer at baseline, the new recurring offers launched and the revenue they produced, and a cohort retention chart showing the trend over the engagement.

3. Customer churn

DILIGENCE QUESTION

Will the customer relationships survive a transition?

When a key customer leaves, the cost base doesn't shrink with them. Payroll stays. The lease stays. Replacement takes quarters. Buyers read churn events as evidence the relationships were never institutional — that customers were buying the founder, not the firm.

FIRST MOVE · 90-DAY TARGET

Score every active account on five churn-signal categories — relationship dependency, procurement cycle gaps, engagement frequency, competitive pressure, and service breadth. Map each at-risk account to a 30/60/90-day intervention. Target: every "high" or "critical" account on an active retention plan.

WHAT DOCUMENTATION LOOKS LIKE

Baseline churn rate by cohort, the relationship transfer plans for top accounts, the retention interventions executed, and a churn delta showing improvement over the engagement.

4. Account expansion

DILIGENCE QUESTION

Is the existing customer base a pipeline or a ceiling?

It costs five times more to acquire a new customer than to expand an existing one. Most \$5M–\$50M companies leave \$1M to \$3M in unsold whitespace inside accounts that already trust them. NRR below 100% is one of the fastest ways to compress a multiple; NRR above 115% is one of the fastest ways to expand it.

FIRST MOVE · 90-DAY TARGET

Build an account-expansion matrix scoring every active account for service-line penetration and expansion potential. Pick the top four moves and sequence them into a single quarterly sprint. Target: at least two expansion conversations initiated and one new scope landed.

WHAT DOCUMENTATION LOOKS LIKE

The whitespace map at baseline, the expansion plays sequenced and run, the new scopes signed, and an NRR trend showing the curve from baseline to exit.

5. Market authority

DILIGENCE QUESTION

Does the company have a defensible position — or is it interchangeable with three competitors?

Roughly 60% of decision-makers pay a premium to firms with strong thought leadership. Authority compresses sales cycles, drives inbound pipeline, and signals brand strength to acquirers. It's also the strategic asset most often missing from owner-led companies, because founders rarely treat content and positioning as systems to be built.

FIRST MOVE · 90-DAY TARGET

Define the firm's three-pillar point of view — the specific positions it's willing to be known for — and commit to a publishing cadence that puts those positions in front of the market every week. Target: 12 published authority pieces, measurable inbound activity, and a clear point of view buyers can repeat back.

WHAT DOCUMENTATION LOOKS LIKE

A baseline authority audit, the point-of-view document, the publishing log, inbound pipeline attributable to authority content, and any earned media or speaking placements.

What “documentation” actually looks like

Documentation isn't a stack of marketing reports. Buyers don't read marketing reports. What they read — and what their analysts model — is a value story with four artifacts behind it:

A baseline scorecard. Where things stood when the Prepare Gate work started. The “before” picture across all five categories. Without a baseline, there's no delta to defend.

A prioritization rationale. Which categories the engagement focused on, and why. Buyers reward focused effort over scattered activity. A clear rationale for these moves and not others is worth more at the table than a list of everything that was tried.

An execution log. What was actually done, by quarter, with dates and budgets. The pilot programs launched. The retention plans executed. The authority pieces published. This is the audit trail that connects intent to action.

A before/after summary. The metric that moved, the system that moved it, and the durability of the change. Concentration 47% → 19%. NRR 89% → 118%. Twelve published authority pieces and a 3.2x increase in inbound qualified pipeline. The numbers matter, but the system behind the numbers matters more — because buyers are pricing the system's capacity to keep producing.

The difference between activity and evidence is whether a buyer's analyst can read the documentation and conclude: this isn't going to revert when the owner leaves. That conclusion is what defends the multiple.

The 90-day cadence

The work that produces this documentation isn't a one-time exercise. It's a rhythm. The teams that do it well run on a 90-day cadence:

Score the eight growth and value levers at the start of every sprint. The five marketing-lane categories above are five of those eight.

Prioritize the two or three highest-impact moves for the next 90 days based on multiple impact, not effort.

Execute through documented playbooks tied to those priorities. No blank-page redesigns every quarter.

Document before/after evidence in language buyers and analysts read.

Repeat for as many sprints as the runway allows — typically two to four before Decide Gate.

For a CEPA, the cadence has a useful property: it produces deliverables that are useful long before the deal table. The baseline scorecard is a planning artifact at Prepare Gate. The execution logs are accountability tools through the engagement. The before/after summary is the value story at Decide Gate. Same system, three different uses.

Where this fits in your plan

This isn't a replacement for the work CEPAs already do. The CEPA owns the plan, the gates, the value gap analysis, the team coordination, the owner relationship.

What's often missing is an executable, measurable marketing lane inside that plan — one that produces the documentation buyers will look for, on the cadence the gates require.

That's the gap Octain fills. The Octain Value Multiplier (OVM) System is a predictive growth and value-creation marketing operating system that scores all eight levers, prioritizes the next 90 days, runs documented execution patterns, and produces the before/after evidence package — all under the CEPA's leadership, on the timeline of the existing plan.

Start with one client

The OVM Growth & Marketing Engine Assessment scores all eight growth and value levers — including the five marketing-lane categories above — and identifies the top two or three highest-impact moves to start with. It takes 30–45 minutes for the client to complete.

Results go to the advisor first.

It's free. There's no commitment beyond running it on one client.

Take the OVM Assessment → [Link Here](#)

The first sprint typically takes 30 days to set up and 90 days to run. By the Decide Gate, you have the documentation. By the deal table, you have the value story buyers won't discount.

Predict. Prioritize. Produce – and Prove.

A predictive growth and value-creation marketing operating system that enables advisors to effectively guide their business owner clients to higher growth and profitability.

ABOUT OCTAIN

Octain Growth Systems builds the OVM (Octain Value Multiplier): a predictive growth and value-creation marketing operating system that enables advisors to effectively guide their business owner clients to higher growth and profitability.

OVM combines a Value Engine dashboard, eight integrated value drivers, a library of done-for-you playbooks, and a 90-day sprint methodology built specifically for CEPAs, fractional leaders, business coaches, and revenue executives serving \$5M–\$50M owner-led companies.

Since 2003, the methodology behind OVM has been applied with 300+ clients across 22 industries, with an historical average of 33% annual increase in revenue and profit (historical, not a guarantee).

Predict. Prioritize. Produce – and Prove.

Learn more at octaingrowth.com

This white paper synthesizes 2024–2026 data from the Exit Planning Institute, Harvard Business Review, McKinsey, Gartner, Value Builder System, GF Data, and additional primary sources on enterprise value drivers and mid-market M&A. Detailed source list available on request.