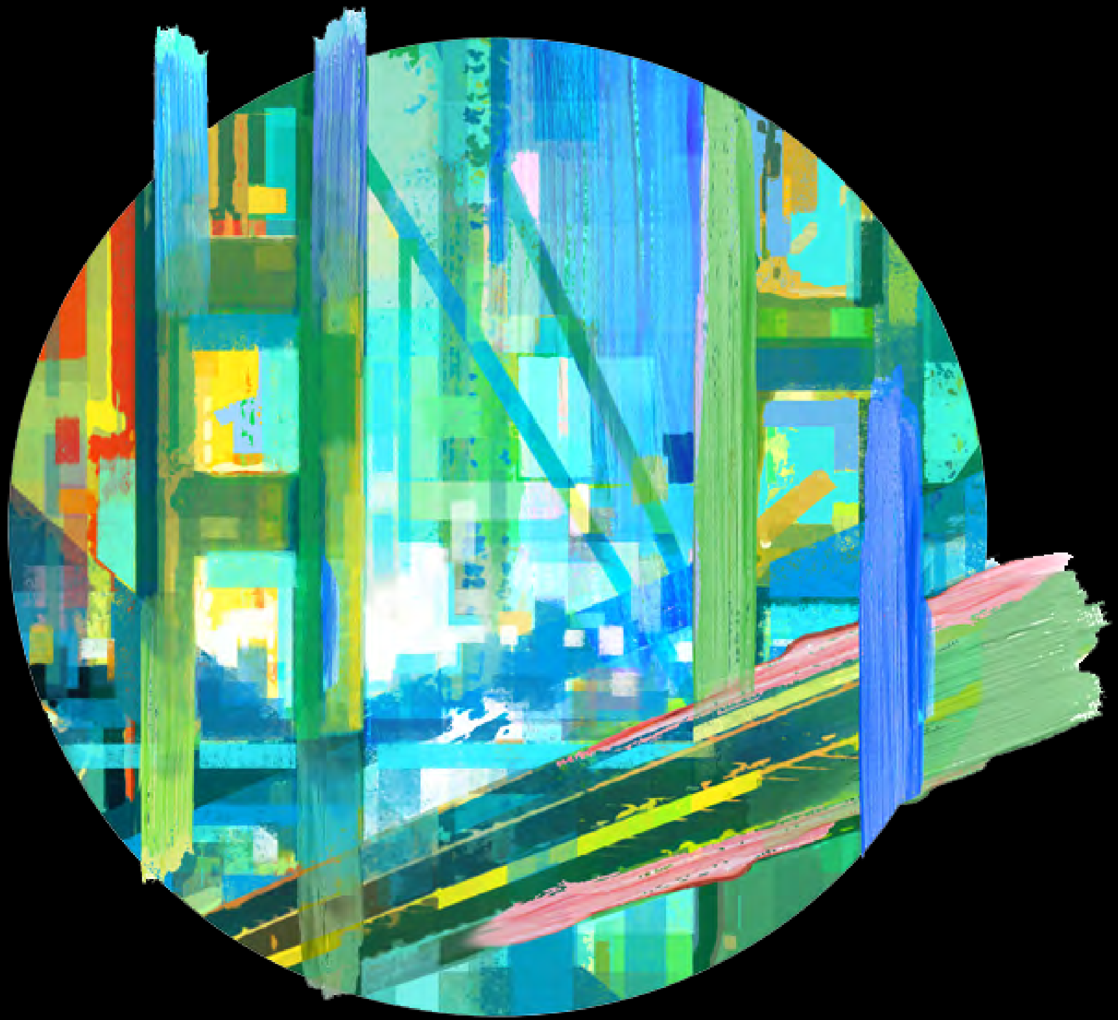

2024 M&A Trends Survey

Mind the gap

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Executive summary

This report marks the 10th year in which Deloitte has explored the M&A landscape and its prospects for the year ahead. When we began this series a decade ago, echoes of the Great Recession of 2008–2009 had not yet fallen entirely silent, and a whole series of inputs and disruptions—economic, fiscal, technological, and (geo)political—were waiting just around the corner, all followed by a global pandemic in 2020.

Uncertainty has always been part of the dealmaking mix. But last year it was novel and profound enough that we made it the focus of our annual outlook. That reality has only intensified since our last *M&A Trends Survey* in early 2023. However, now and for the year ahead, our new survey indicates that pivots, shifts, and innovation are many of the tactics in use by dealmakers to adapt to a new normal.

This "new normal" is the impetus for our new research and survey. We've divided this report into two parts that are both about realizing greater value from dealmaking despite the challenging environment:

First, in Part one, we explore the current and expected future state of the M&A marketplace. Survey respondents, well aware of the new and multifaceted challenges, are pivoting in new and different directions while realizing synergies, premiums, and returns in new ways.

Part two inspires the report's title: "Mind the gap." The gap metaphor refers to how corporate and private equity differ in assessing acquisition targets, making acquisitions, transforming operations, and executing transactions. In this section, we've worked to identify ways in which surveyed corporate and private equity leaders are beginning to see the differences between each other's business models not as much as disparate industries, with a logical "gap" between them, but as a reservoir of potential learning, collaboration, and, most of all, value creation. In summary, "minding the gap" is about exploiting opportunity.

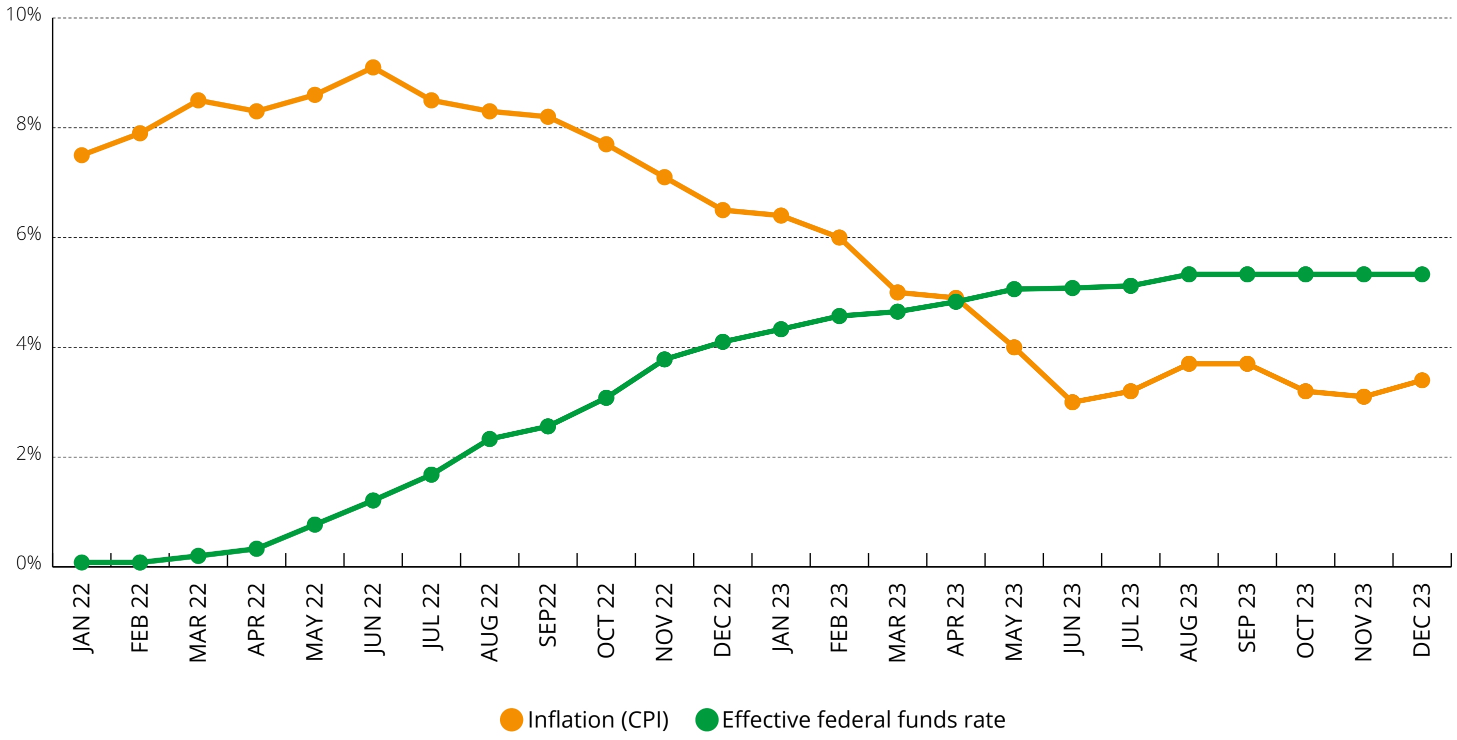
01
02
03
04
05
06

How are dealmakers thinking about current and future challenges around creating value from deals?

Inflation has declined from its 2021/2022 peak, but there's uncertainty about where it's headed. Consumer demand has shown resilient strength, for the time being. And the US Federal Reserve has paused, for now at least, its series of inflation-fighting interest rate hikes.[1] But those rates are still higher than they've been in recent years, which keeps the cost of traditional debt-based deal financing high.

US inflation (CPI) and Effective federal funds rate

(Percent)



Sources: Bureau of Labor Statistics/US Department of Labor (CPI), January 11, 2024; Federal Reserve Bank of St. Louis (Effective federal funds rate), December 13, 2023.

Tech industry continues to see layoffs

—***The Boston Globe***
May 12, 2023

Jobs openings near two-year low as layoffs jump

Construction, leisure, and hospitality and healthcare cuts drive March increase in layoffs

—***The Wall Street Journal***
May 2, 2023

Layoffs top grim milestone for tech

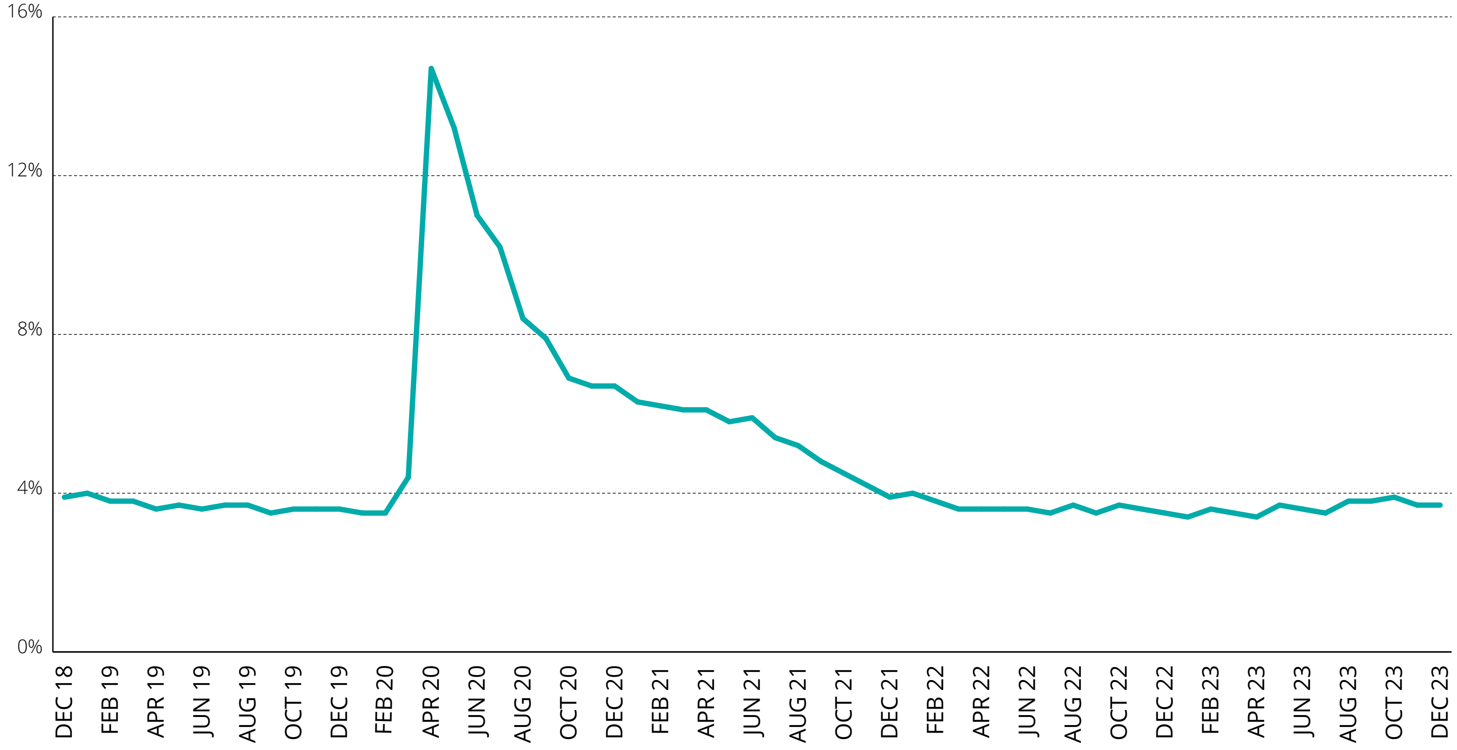
Cutbacks so far in 2023 rocket far above last year's totals

—***The San Jose Mercury News***
June 2, 2023

On the talent front, layoffs and headcount reductions have recently lessened but still continued across 2023 in most industries, partly due to an increased focus on internal restructuring and transformation.[2] Yet unemployment remains low,[3] and there's still no consensus in many industries about how to categorize and manage remote workers.

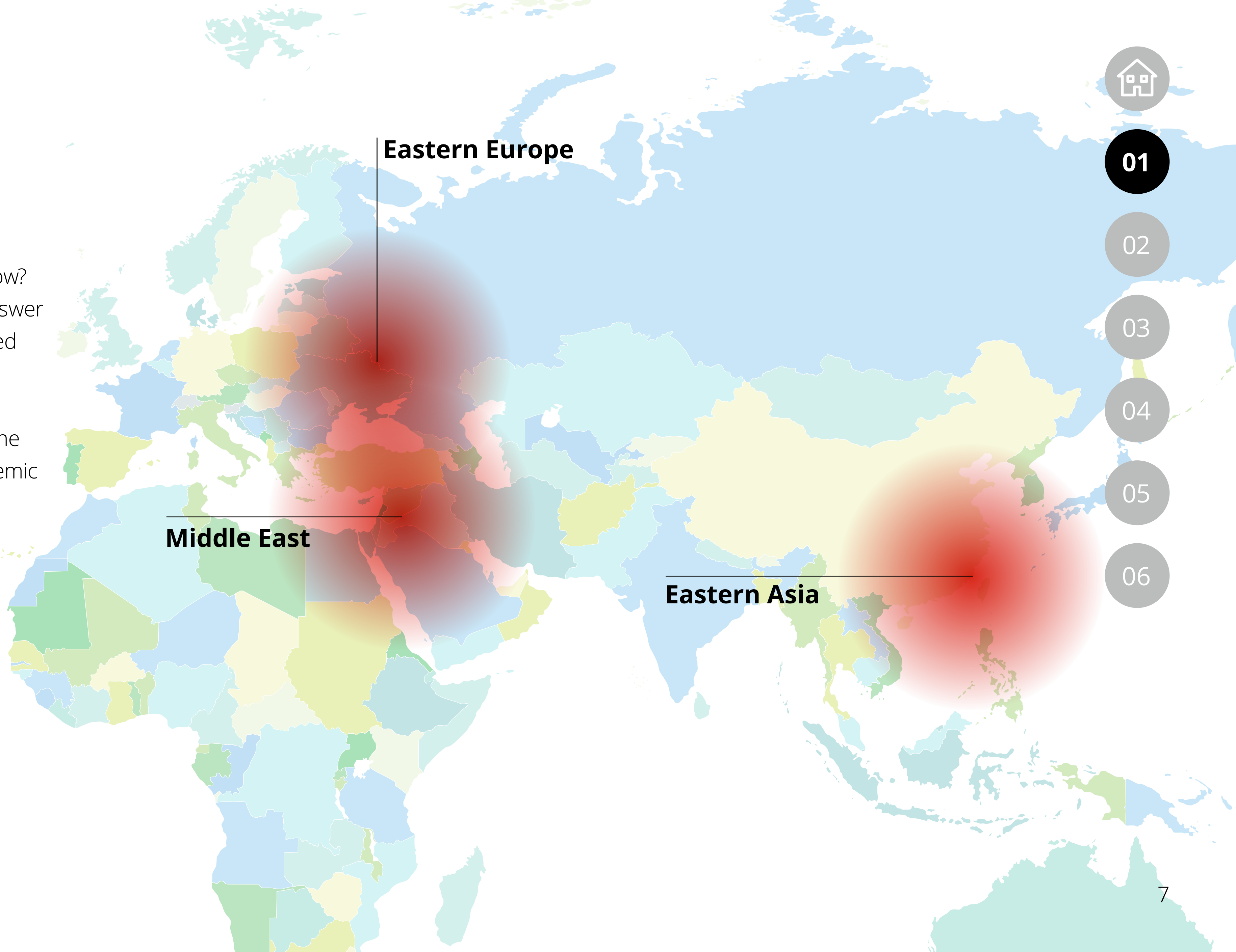
US unemployment rate

(Percent)



Source: Bureau of Labor Statistics/US Department of Labor, December 22, 2023.

Where do the headlines and experts point now? More so than was the case a year ago, the answer in late 2023 and early 2024 is even more mixed and uncertain. Geopolitical instability and its corresponding risks to business and markets has been amplified due to recent events. At the same time, the impact of the COVID-19 pandemic appears less urgent than at any time since it began almost four years ago.



In short, there are typically headwinds that make M&A difficult and fraught with uncertainty, but most of the leaders who pursue and make deals show a growing tendency to shift course and persevere in the hunt for value. Beyond the generally positive outlook of survey respondents, this new research shows strong signs that dealmaking may be poised for a rebound in the coming year.

In keeping with the recent trend, we've increased our sample size again this year. In the *2024 Deloitte M&A Trends Survey*, the basis of most of the enclosed findings, we surveyed 1,500 corporate and private equity dealmakers, our largest survey ever. Nearly two-thirds (63%) were senior decision-makers at the C-suite or senior managing director level, another high-water mark. Most significantly, we've increased the proportion of private equity investors in the survey. For this research, private equity investors represent almost half (49%) of the overall sample.

To summarize, it's the common experience of new risks, appetite for innovation, and open minds that appears to be shaping today's risk calculus and making more collaboration part of the value creation solution. In keeping with that spirit, we'll conclude with some looks ahead at the new strategies and responses that dealmakers might consider in the current environment.

To summarize, it's the common experience of new risks, appetite for innovation, and open minds that appears to be shaping today's risk calculus and making more collaboration part of the value creation solution.

Key findings
Observations and opportunities

In our 10th annual look at the M&A landscape, Deloitte has assessed the dealmaker respondents' sentiments, plans, and expectations that are likely to shape market trends for the coming year. In addition, the data evidences a new era of opportunity for value creation, mutual insight, and even direct collaboration between corporate and private equity dealmakers, two constituencies that traditionally utilize distinct business models.

Part one: The M&A market and Deloitte perspective for 2024

Finding 1
Optimism amidst mixed metrics: In a less welcoming world for dealmaking, key performance metrics are showing resilience.

Finding 2
Signs of potential rebound despite the soft M&A market: In both volume and value, US dealmaking has been in a downturn. But this may change according to our survey results.

Finding 3
A stronger focus on M&A preparation and strategy: Companies are approaching pursuits with a fresh emphasis on the basic link between deal thesis and value realization.

Finding 4
Pivots made relative to digital transformation and cross-border dealmaking: Corporations and private equity firms have made real progress with digital transformation and shifting focus in search of cross-border value creation.

Part two: Mind the gap: The opportunity for private equity–corporate collaboration

Finding 1
Creative and innovative partnering: With few exceptions, deals are smaller—but they're showing new stripes in structure and financing.

Finding 2
The nascent cross-learning opportunity: Private equity will never be corporate, and vice versa. But each side is finding ways to learn from one another in the face of shared challenges.

Finding 3
When asked separately to indicate highest-impact headwinds and tailwinds, corporate and private equity dealmakers share most perceptions while differing in just a few. The similarities and differences illustrate potential opportunities for both constituencies.

The M&A market and Deloitte perspective for 2024

Optimism amidst mixed metrics

Increased market complexity yields new opportunities

Last year's *M&A Trends Survey* was titled *Navigating Uncertainty*. This year, the "uncertainty" remains—indeed, it has become more complex and intensified—but M&A leaders are now well aware of the risks. And the "navigating" (by pivoting and adapting M&A strategies) is prevalent. While M&A activity has been down,[4] the prevailing view from the survey is that it won't stay that way.

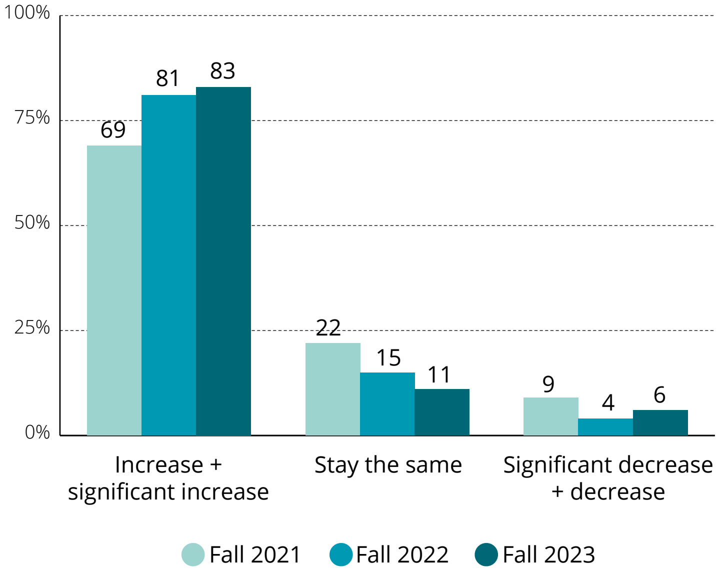
The Russia-Ukraine war, a new factor as of our last writing, is still ongoing as its second anniversary nears. This and other geopolitical hotspots contribute to the ongoing instability in world markets. New regulations in a number of global jurisdictions—particularly with respect to antitrust standards and carbon emissions and reporting—likely impact cost and value considerations. Meanwhile, the uncertain trajectories of inflation and interest rates remain concerns, ones that bear even more directly on M&A calculations.

Finding 1

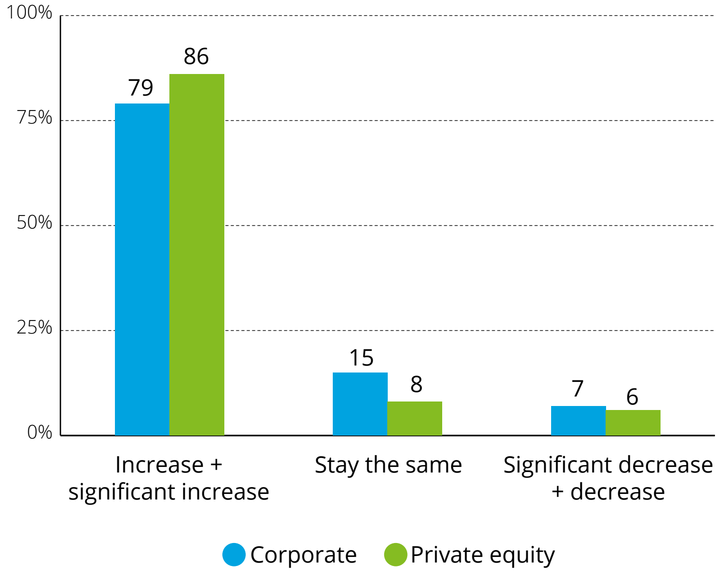
Even in the current environment, our survey respondents report strong positive performance within their enterprises and show strong optimism for a 2024 rebound for inorganic dealmaking. The percentage of respondents who expect an increase in deal volume over the next 12 months is higher than it was a year ago, and private equity respondents were several points ahead of their corporate counterparts in that view.

Do you expect the average number of deals that your company closes to increase or decrease over the next 12 months?
(Percent)

As compared to the previous year, a slightly higher proportion of respondents expect an increase in the average number of deals over the next 12 months...



...and the optimism is even higher among the PE respondents as compared to the corporate respondents.



Due to rounding, percentages may not add up to 100%.
N=1,500

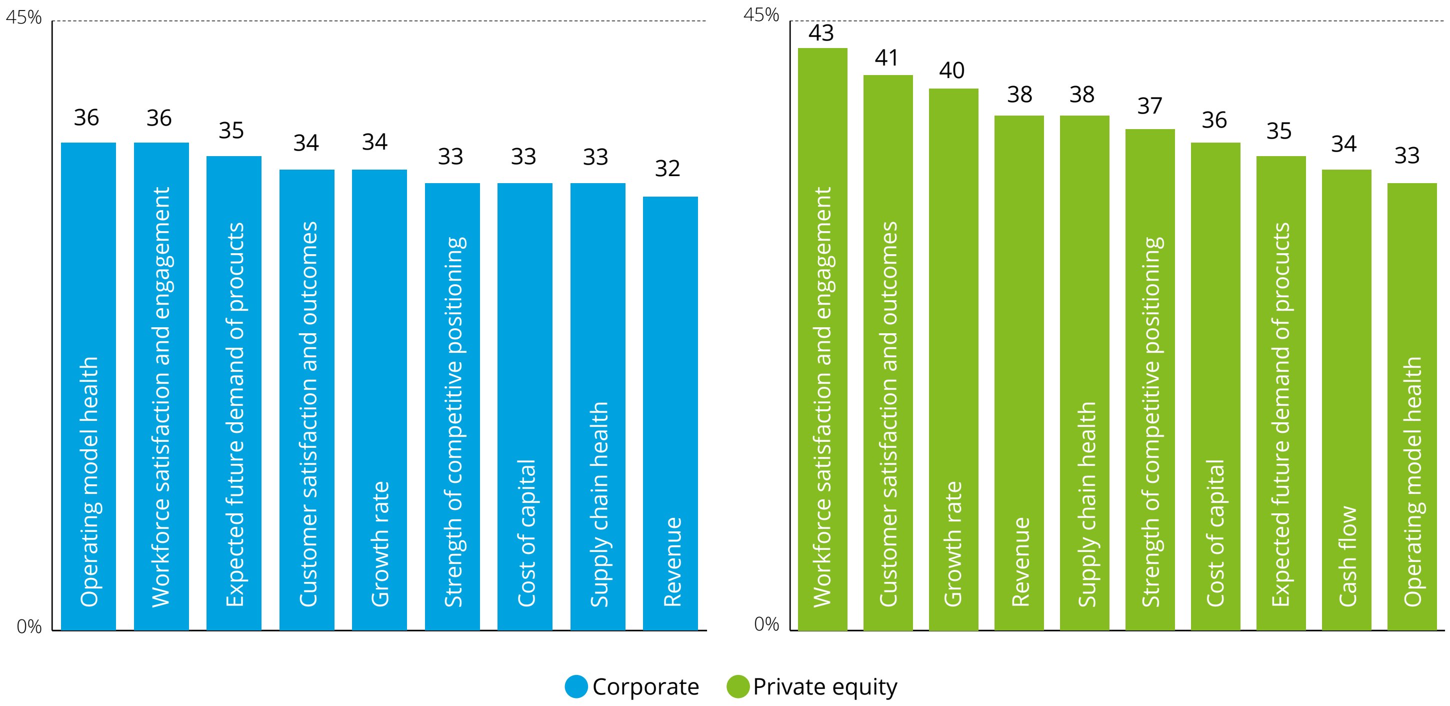
01 02 03 04 05 06

Finding 1

Expected deal activity isn't the only sign of optimism. Leaders who responded to our survey reported that their organizations have shown significant increases in a number of key performance metrics, such as operating model health, workforce satisfaction and engagement, expectations for demand, and customer satisfaction. The indicators that rose the most were different for corporate respondents than for private equity; but what's telling is that taken as a group, the same factors showed strong upticks in both camps.

On one hand, the M&A landscape is swept with headwinds. On the other hand, M&A dealmakers are pivoting and adapting strategy, with real optimism about the coming year.

How has the economic environment (e.g., inflation, interest rates, talent) impacted the below metrics for your company (or porfolio company's)?
(Percent)



Finding 2

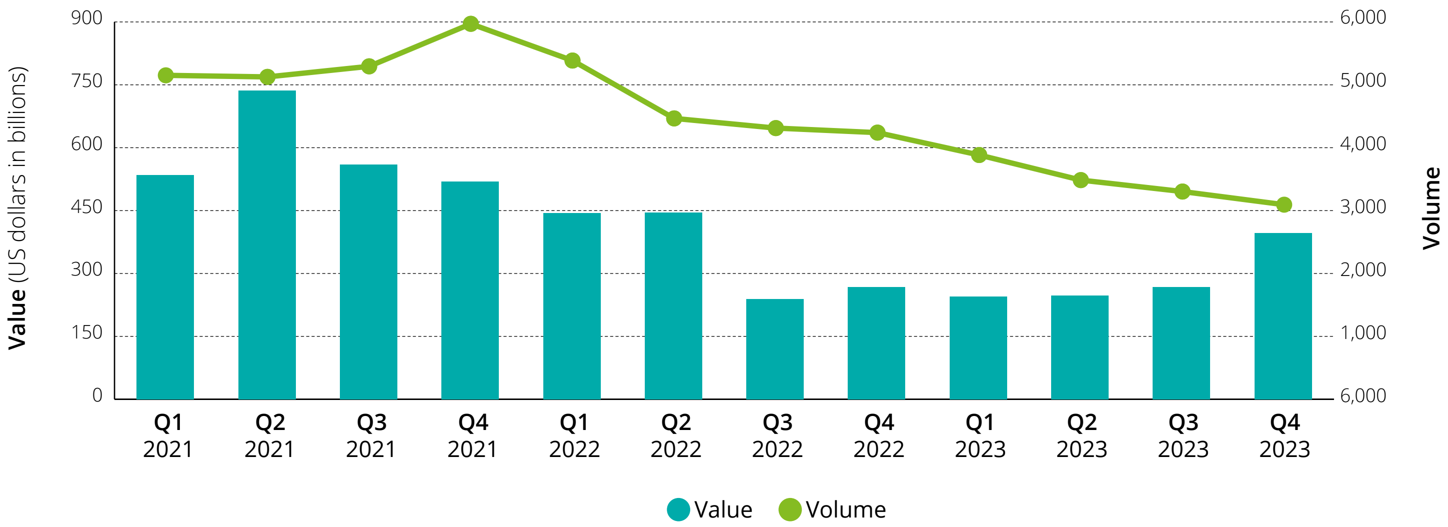
Signs of potential rebound despite the soft M&A market

Looking beyond the low points

The M&A market has declined with both volume and value down from recent peaks in 2021 and early 2022. This shouldn't be a great surprise since interest rates have been increasing, while valuation expectations have remained high. Meanwhile, uncertainty around recession—*What defines one? Are we still anticipating one?*—remains persistent.

US M&A activity

(Q1 2021 through Q4 2023)



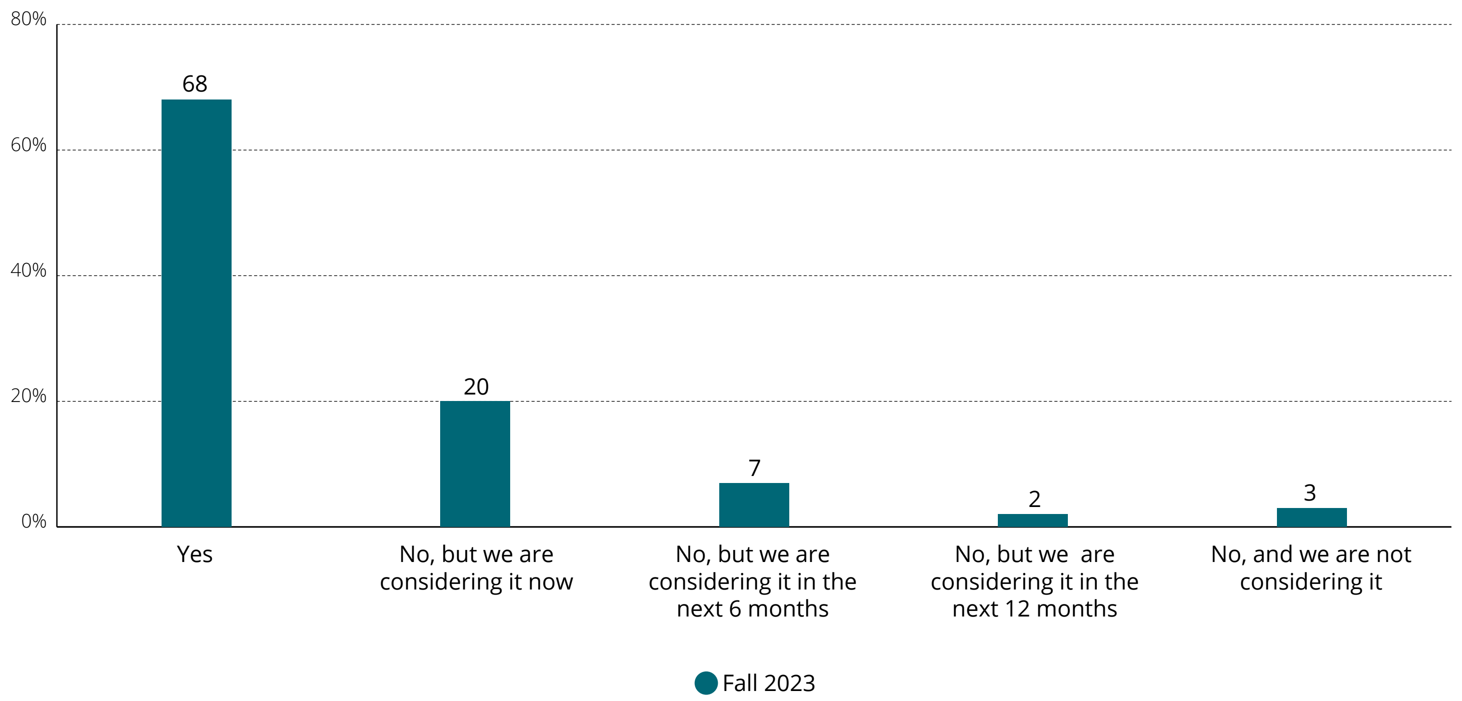
Source: S&P Capital IQ, Deloitte analysis, accessed January 8, 2024.

Finding 2

At the same time, many corporations and private equity firms have invested more time and energy on internal transformations in the past year. More than two-thirds (68%) of the leaders we surveyed said their organizations had restructured since the pandemic began in early 2020. Another 27% are focused on restructuring now or plan to be doing so within the next six months.

What is prompting the widespread focus on restructuring? Respondents indicate the motivation is twofold: opportunism and preparation for a near- to medium-term increase in dealmaking activity. Some of it is also attitude: Our survey respondents seem to feel more optimistic about the next 12 months as their responses show across both corporate and private equity investor constituencies.

Has your company restructured (e.g., working capital, reorganization, cost reduction, restructuring, legal entity) since the beginning of the pandemic in 2020?
(Percent)

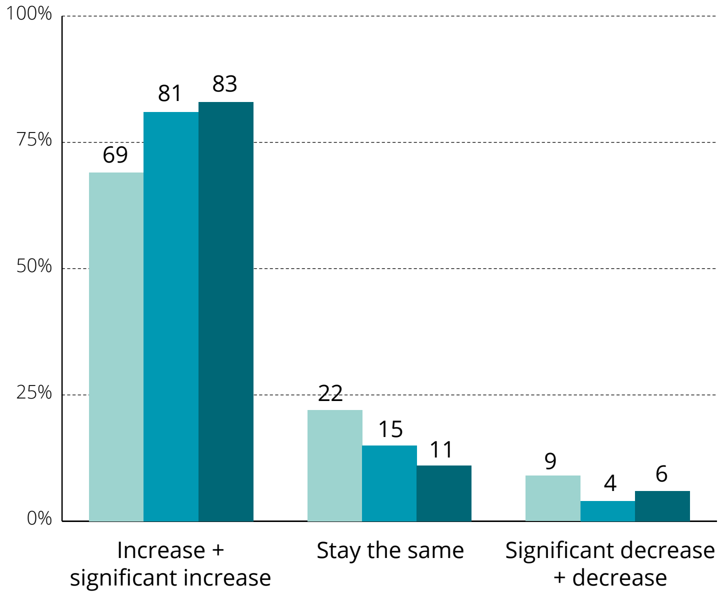


N=1,500

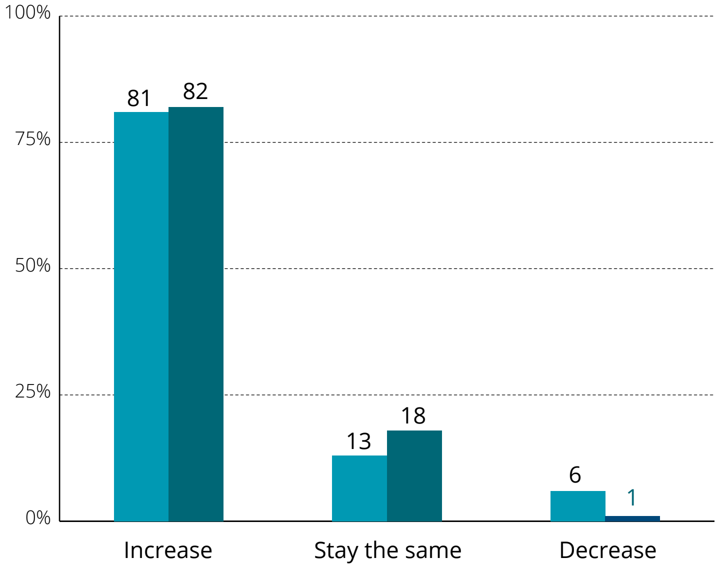
Finding 2

Across all corporate and private equity respondents, 83% say they expect their own organization's deal volume to increase "somewhat" or "significantly." Notably, that is up 14 percentage points over the past two years. These leaders are anticipating larger deals as well; 82% said they expect the size of their own organization's deals to increase in the coming year.

Do you expect the average number of deals that your company closes to increase or decrease over the next 12 months?
(Percent)



Do you expect the enterprise size of your company's deals to increase or decrease over the next 12 months?
(Percent)



Fall 2021 Fall 2022 Fall 2023

N=1,500

Due to rounding, percentages may not add up to 100%.
N=1,500

A stronger focus on M&A preparation and strategy

The basics return to the spotlight

It's not new for corporate or private equity organizations to approach the on-ramp of a deal life cycle by focusing on high-level strategic needs. Those needs shape the deal strategies designed to maximize value creation.

What is new is the intensity and prioritization of this linkage. Our survey shows a new emphasis on deal preparation and strategy. When our survey asked what factors drive the success of M&A deals, both corporate and private equity respondents ranked definition of a coherent and well-supported M&A strategy as the most important.

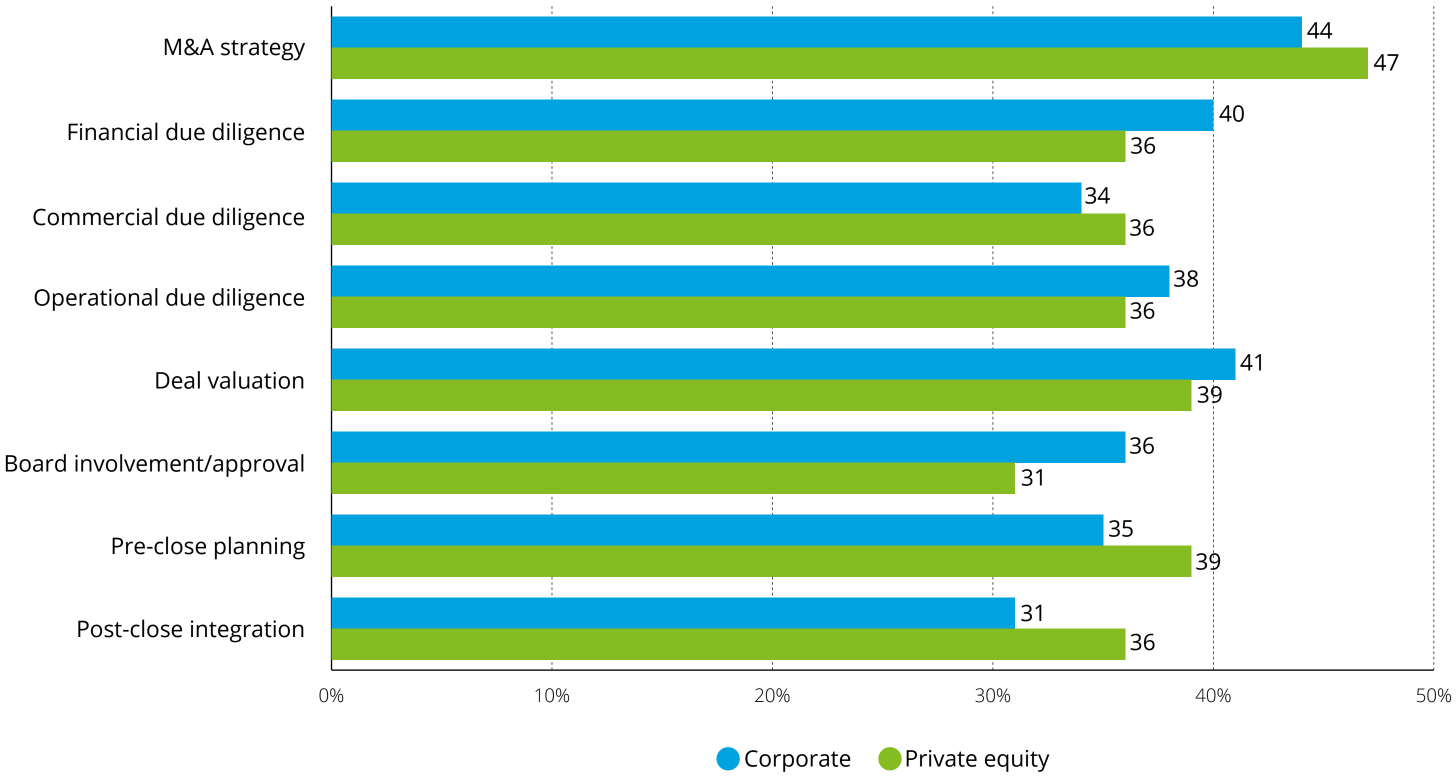
Each also reported a strong focus on deal valuation—the second-ranked factor for corporate leaders and the third-most for private equity. Private equity leaders rounded out their top three deal factors by naming pre-close planning, while corporate leaders cited financial due diligence. The key takeaway: Both corporate and private equity dealmakers are increasingly prioritizing a clear view of where their deals are headed and a tenacious effort to find value in targeting before they get started.

Both corporate and private equity dealmakers are increasingly prioritizing a clear view of where their deals are headed and a tenacious effort to find value in targeting before they get started.

Finding 3

Why these emphases? For one thing, deals of all kinds are becoming more complex. Knowing what strengths and benefits are likely to emerge when they're complete is, more than ever, a factor not to leave to chance. Value is still hard to find and debt financing more expensive given the higher interest rate environment. The landscape we've described of economic, regulatory, and geopolitical challenges makes the stakes higher all around. Mistakes and miscalculations are easier to make and will likely be more costly.

How important are each of the following elements in achieving a successful M&A deal? *(Percent)*



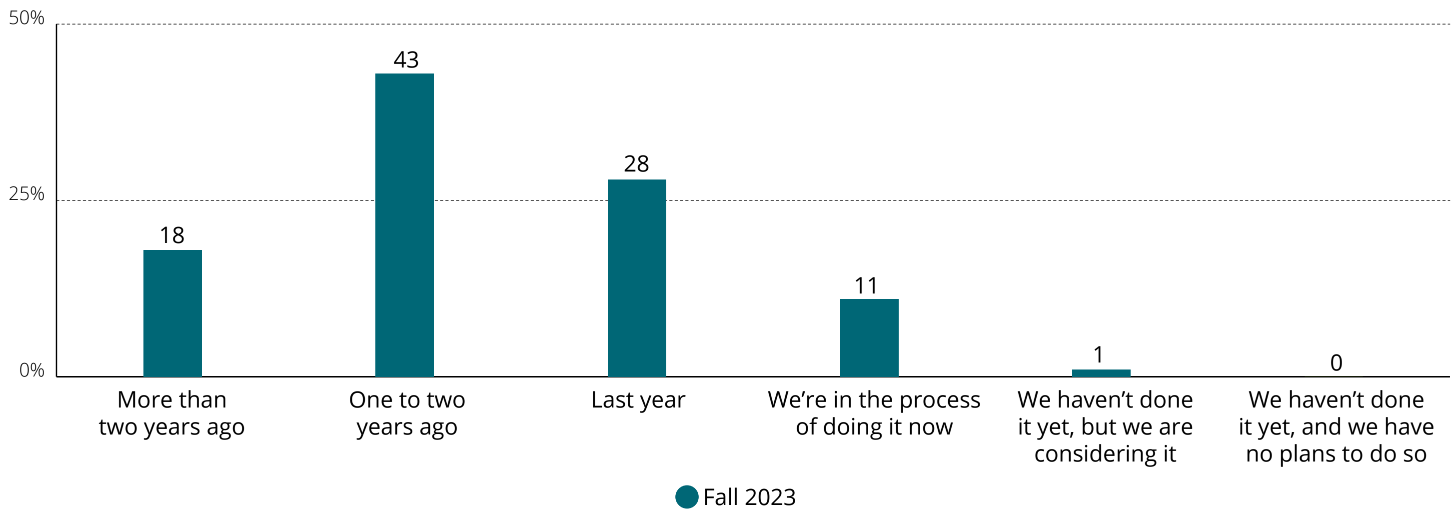
N=1,500

Pivots made relative to digital transformation and cross-border dealmaking

Across new frontiers

We conclude Part one's overview of the current and near-term M&A market with two important observations drawn from survey respondents' latest perspectives on technology in M&A and cross-border plans for the coming year.

When did your company incorporate data analytics or Generative AI into its diligence/ portfolio company monitoring process?
(Percent)



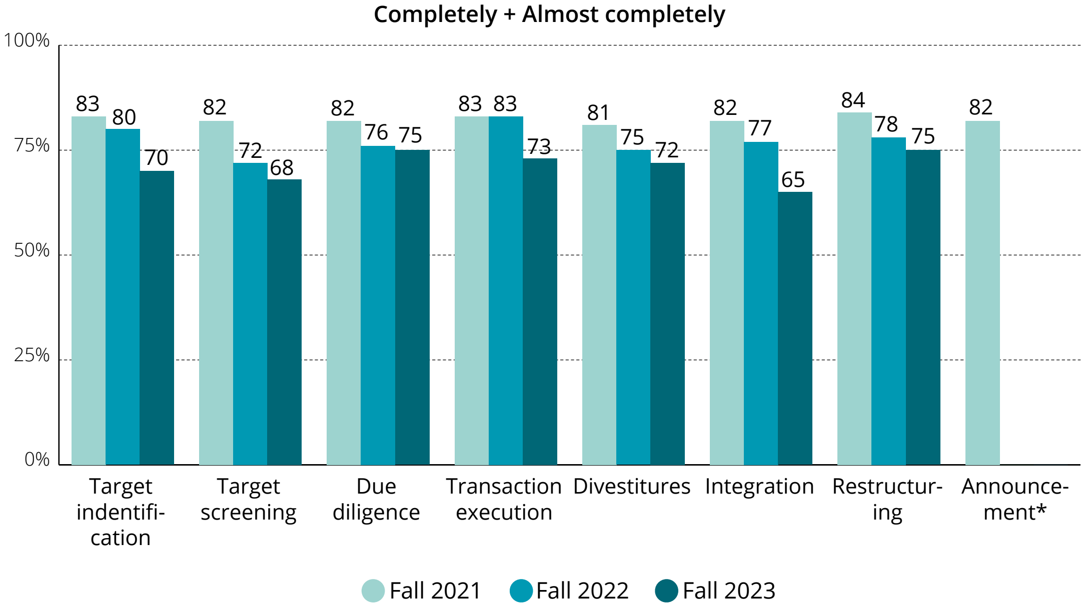
Due to rounding, percentages may not add up to 100%.
N=1,500

Finding 4

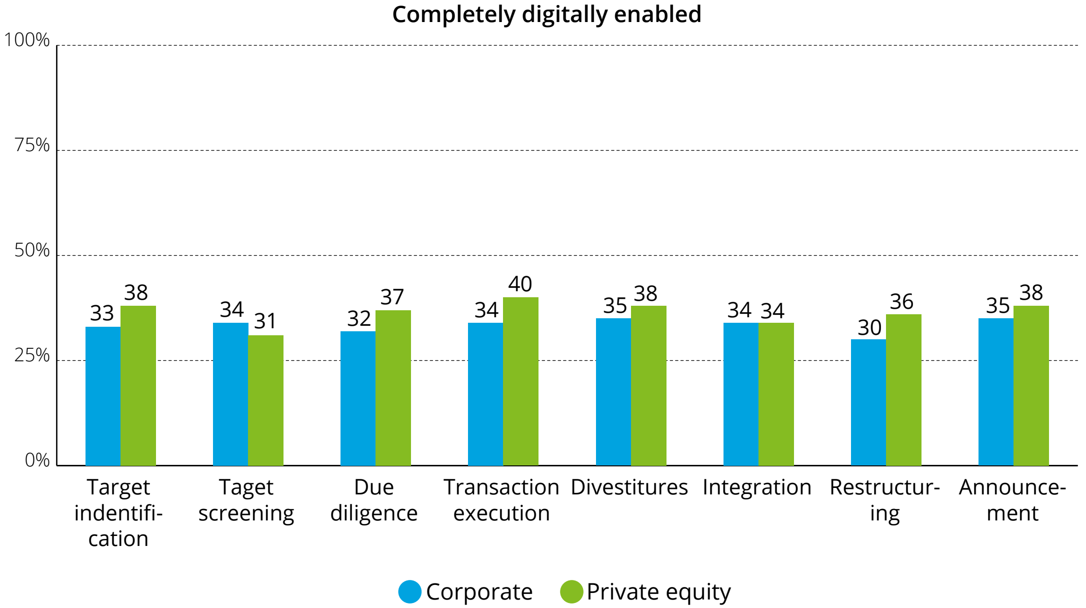
To what degree are the following deal elements digitally enabled (e.g., software, web, automation, AI) for your company's deals?
(Percent)

Across all respondents, the progress around digital transformation has been impressive...

...with PE somewhat ahead.



*Not asked in 2022 and 2023.
N=1,500



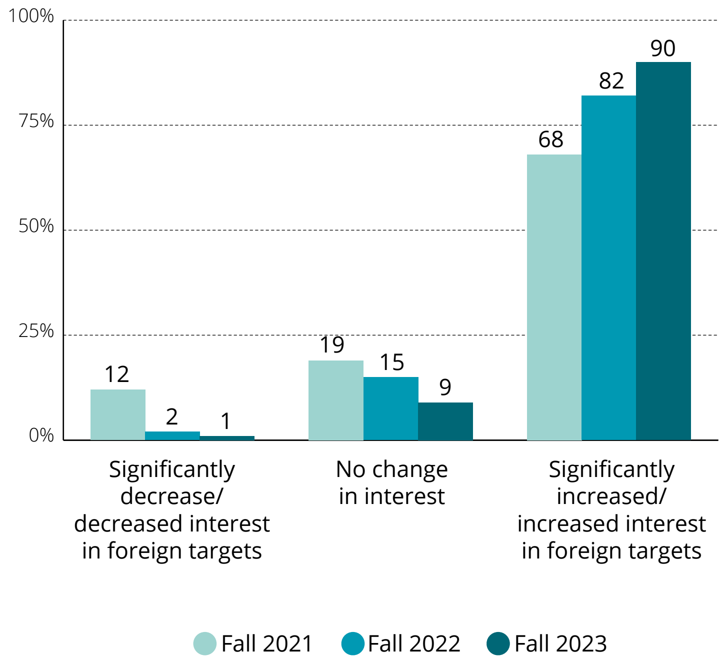
N=1,500

Finding 4

First, virtually all respondents (99%) indicated that their respective corporate and private equity organizations have begun incorporating Generative AI or advanced data analytics into their dealmaking processes. Diving a bit deeper into the data, while all respondents have been digitally enabling all phases of dealmaking, private equity organizations are somewhat ahead of corporations in this regard. This isn't surprising given the different business models, generally shorter timelines, and returns typically obtained by scaling digital transformation across a portfolio, all of which are resident within private equity.

Second, we observed a marked uptick of interest in cross-border transactions in this year's survey. Despite the rising geopolitical turmoil, corporate and private equity interest in international targeting to find value has increased 22 percentage points in the past two years. That said, the big increase is understandable given the challenging economic environment in the United States and as indicated by the survey, respondent interest in safer harbors abroad (Canada, France, Germany and Mexico are all increasingly attractive to dealmakers).

Looking ahead, how do you expect your company's interest in acquiring foreign targets to change over the next 12 months?
(Percent)



Due to rounding, percentages may not add up to 100%.
N=1,500

Mind the gap

The opportunity for private equity–corporate collaboration

In Part two, we look at the different business models that corporations and private equity firms use. We've done this in an effort to understand why corporations generally focus their energy and resources on synergy realization, whereas private equity firms generally focus on returns on investments in generally shorter time frames. But digging a bit deeper, we also exploit an opportunity to "mind the gap" between the two types of dealmakers as a way to drive real value creation opportunities. Hence, in this report, we have identified three ways that cross-community examination—for private equity and corporate dealmakers—might be able to provide wins as the search for greater value creation opportunities continues.

Creative and innovative partnering

Embracing the new, different, and necessary

The Plato quote “necessity is the mother of invention” suits the purpose here. With the exception of two blockbuster deals announced in the oil and gas sector, the 2023 M&A market has been much softer than in 2021 and early 2022.[5] And the slower pace of dealmaking isn’t surprising given the internal shift of most enterprises toward transformation and away from persistently expensive acquisition targets. Bolt-on acquisitions are generally more prevalent in a high-cost and high-valuation environment.

However, and more interestingly, the changing nature of recent and potentially near- and medium-term deals should be encouraging to dealmakers focused on value realization. This year’s survey reveals that corporate and private equity firms are seeing one another in a fresh light—and they’re finding not only lessons from across the divide but also—in some cases—partners with whom to transact and potentially realize greater value.

“Necessity is the mother of invention.”

—Plato

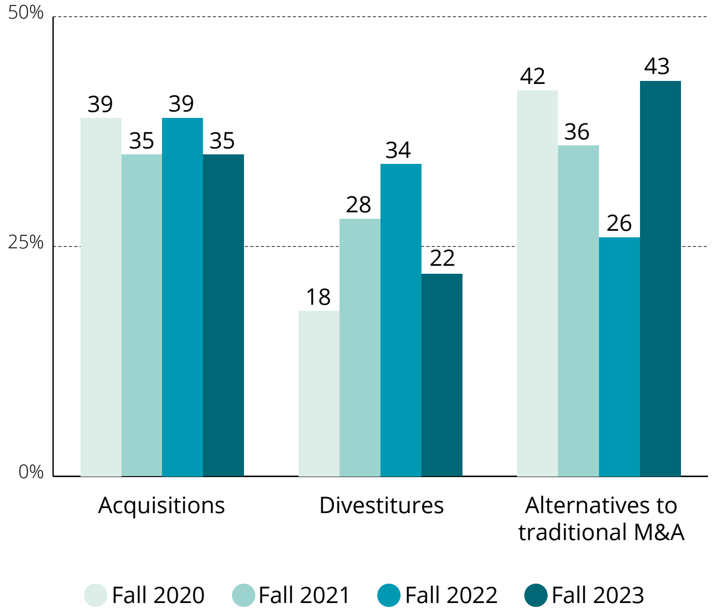
Finding 1

While acquisitions and divestitures remain important components of the overall marketplace, at 35% and 22% of "currently pursued" deals respectively, each of those categories is less prevalent than it was last year. Divestitures, in particular, make up fewer than a quarter of all deals; last year, they were more than one-third. In contrast, "alternatives to traditional M&A" made up 43% of pursued deals in the 2023 survey, compared to only 26% a year ago.

What are these "alternatives to traditional M&A"? Many are related to alternative financing when debt is expensive and, at times, hard to find. This has (unsurprisingly) prompted more all-equity transactions for corporations and more private credit financing. More than half of all respondents said they've used deal financing from non-bank and non-traditional lenders. In a similar indicator, almost half have pivoted to embrace alternate deal structures from M&A, such as joint ventures and strategic partnerships. When private equity firms exit their portfolio investments, sales to corporate buyers are 23 percentage points higher than a year ago, while transactions with other private equity firms are nine percentage points less prevalent. The 2023 IPO market for private equity, as in 2022, has been well off from historical norms.[6]

To the extent that your company is currently pursuing transactions, which of the following are you most interested in exploring?

(Percent)

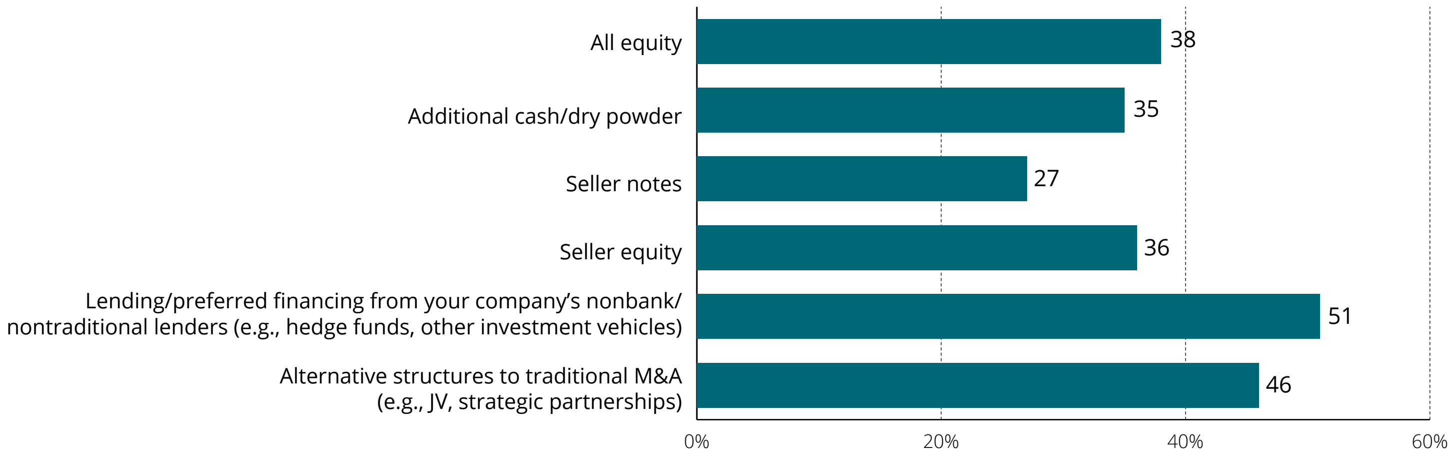


Due to rounding, percentages may not add up to 100%.
N=1,500

Finding 1

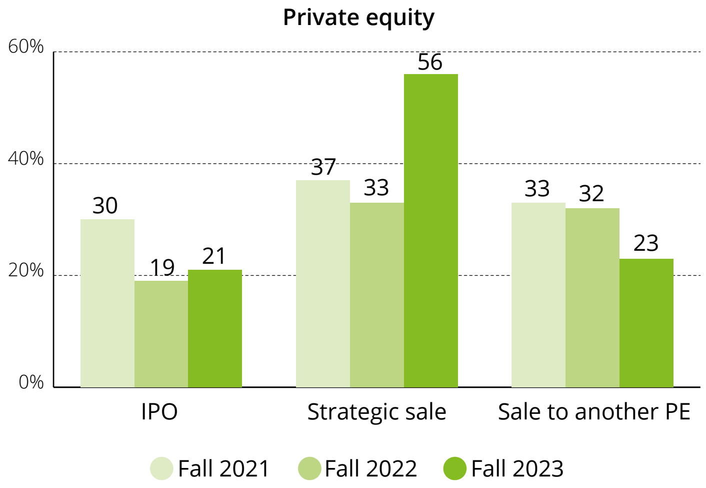
To an increasing degree, our survey shows that dealmakers have been embracing deal structures other than M&A that involve corporate buyers for private equity assets or the different types of deals (such as joint ventures or alliances). These are interactions that are less common in M&A bull markets. In 2023, there have also been deals that involve financing pivots, such as take privates and other non-traditional financing structures.

Given the economic, regulatory, and other operational headwinds, which alternative financing vehicles (to traditional bank debt) has your company used in the past year or will very likely use in the next year to get deals done? Please select all that apply.
(Percent)



N=1,500

What do you expect to be the primary form of your firm's portfolio exits in the market as a whole over the next 12 months?
(Percent)



Fall 2022 data sums to 84% because SPACs were included as a deal structure option that year.

Due to rounding, percentages may not add up to 100%.

The nascent cross-learning opportunity

Lessons to share

In thinking about the gap or distance that usually separates corporate M&A participants from their private equity counterparts, an interesting finding emerged from the analysis of the survey responses—this gap is narrowing. We believe that private equity firms and corporations are both making moves to bridge the gap in pursuit of greater value from dealmaking.

Cross-constituency learning and mutual adoption of relevant leading practices represent a new frontier in M&A. One of the reasons this year's survey focused on a different mix of respondents, with private equity representatives making up nearly half our sample for the first time, was to explore this trend in greater detail with the aim of yielding higher-confidence conclusions.

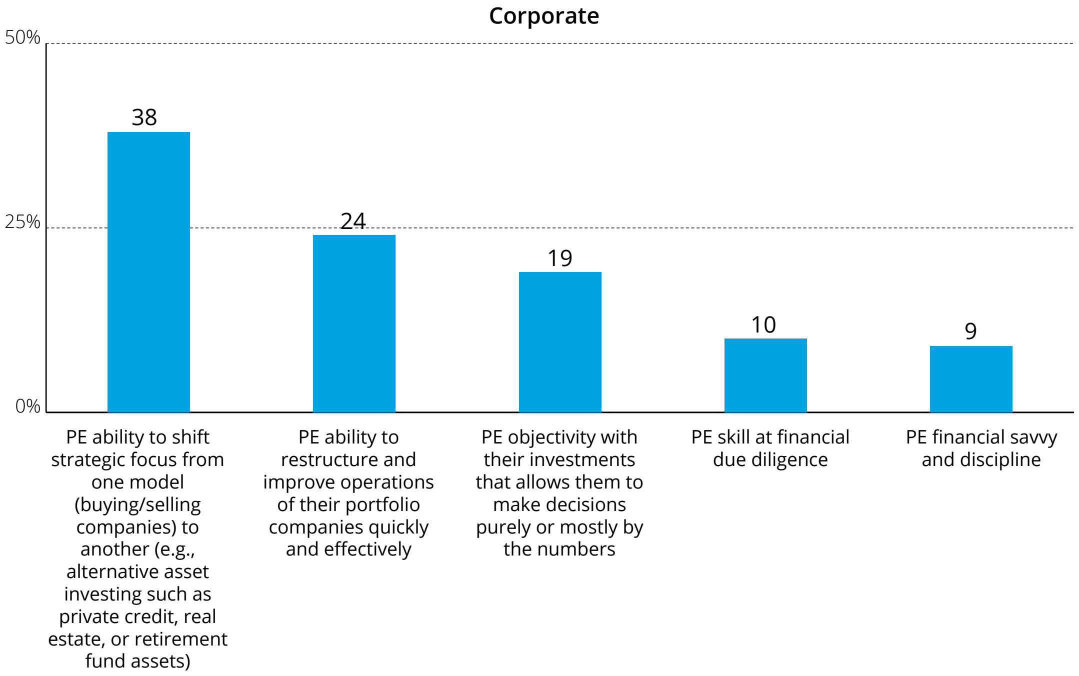
What did we find?

We believe that private equity firms and corporations are both making moves to bridge the gap in pursuit of greater value from dealmaking.

Finding 2

Thinking about private equity (PE) firms, if you could have your company emulate one aspect of what you most admire about PE dealmaking, what would it be?

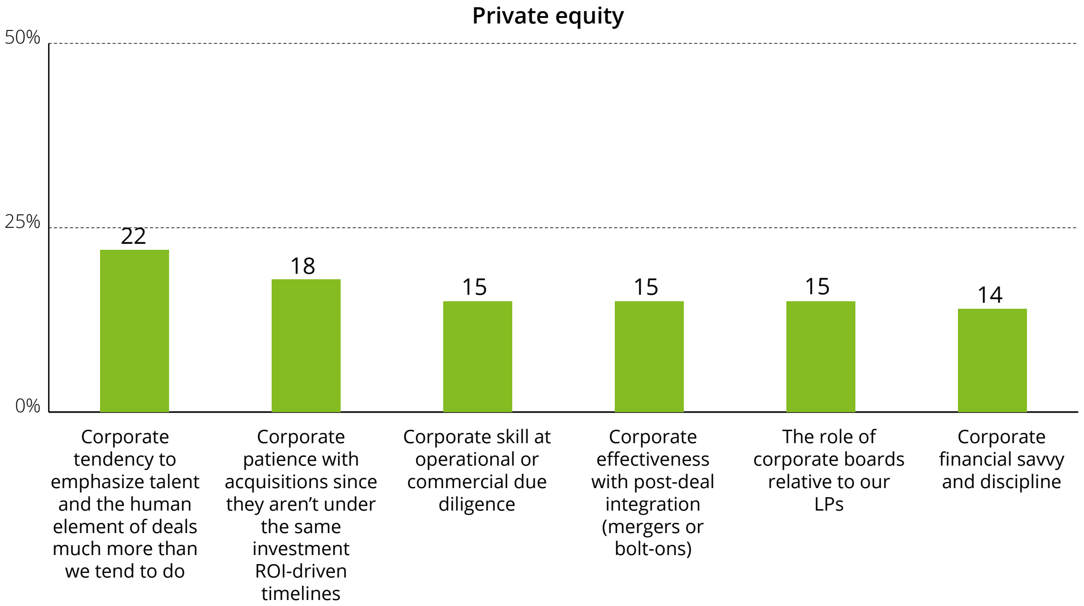
(Percent)



N=760

Thinking about corporations, if you could have your firm emulate one aspect of what you most admire about corporate dealmaking, what would it be?

(Percent)



Due to rounding, percentages may not add up to 100%.
N=740

Finding 2

Corporate dealmakers admire their private equity colleagues' ability to shift focus from traditional models, such as buying and selling companies, to new approaches like alternative asset investing in real estate or private credit.

Efficiently restructuring and improving the operations of their portfolio companies is an obvious competence for private equity firms, but for corporate acquirers who may be improving their responses to such challenges, it's another set of lessons we'd imagine they would be enthusiastic to pick up from across the aisle.

Looking back in the other direction, private equity respondents said they admired corporate leaders for their ability to drive premium realization using a variety of talent-related strategies as levers.

Not surprisingly in the current environment, they've also taken a page from the corporate world in adopting more patient, realistic timelines for full transformation.

Corporate and private equity approaches to M&A are unlikely to (and shouldn't) converge completely, because each of these types of organizations has its own distinct business model, stakeholders, and objectives. But as pressures mount, the two sides are seemingly finding themselves thrown into more common challenges, and they're recognizing the value of common ways to handle them.

As pressures mount, the two sides are seemingly finding themselves thrown into more common challenges, and they're recognizing the value of common ways to handle them.

Comparing and contrasting headwinds and tailwinds

An objective look at perceived challenges and related impacts

As a final take on the gap exploitation opportunity for private equity firms and corporations, we designed this year's survey to yield insight into how these two types of organizations objectively perceive challenges and opportunities. The thinking here is that, for each constituency, learning and ideation can happen with a thoughtful consideration of the similarities and differences when considering current headwinds and tailwinds.

We analyzed this "narrowing of the gap" by asking corporate and private equity respondents to assess the degree to which two external environments (economic and governmental) had an impact on various business metrics (e.g., growth rate, expected future demand for products/services, costs of raw goods and other inputs, and workforce engagement). By comparing the responses from this year's survey with responses given to the same questions in previous years, we were able to assess, compare, and contrast relative headwinds and tailwinds as perceived by the two constituencies.

Finding 3

Both the economic and governmental environments were perceived more as headwinds than tailwinds by private equity firms and corporations. But the degree to which this was the case varied.

In considering the impact of the governmental environment on the same business metrics, corporate respondents were clearly more sensitive across the metrics than were private equity firms. For private equity respondents in particular, governmental headwind impact across all metrics was rather minimal for 2023. For corporate respondents, government as a source of headwind was less significant a factor than the economy but was more significant than for private equity respondents. Corporations are generally more affected by antitrust regulations than private equity firms are. Finally, looking more closely at corporate respondent perceptions, government as a negative influence on supply chain health was most pronounced. And government as tailwind fuel for companies was most pronounced with regards to revenue, customer engagement, and workforce satisfaction.

The economic environment had greater impact than governmental impact across all metrics and, to a similar degree, between corporations and private equity firms. Corporate and private equity respondents perceive the economy as having the most positive (tailwind) impact on workforce satisfaction, revenue, customer satisfaction, and growth rate. This is to be expected given the downturn in traditional M&A activity for both camps across 2023 and given the factors described at the outset of this report (e.g., high interest rates, unclear trend on inflation, and some mixed signals with labor).

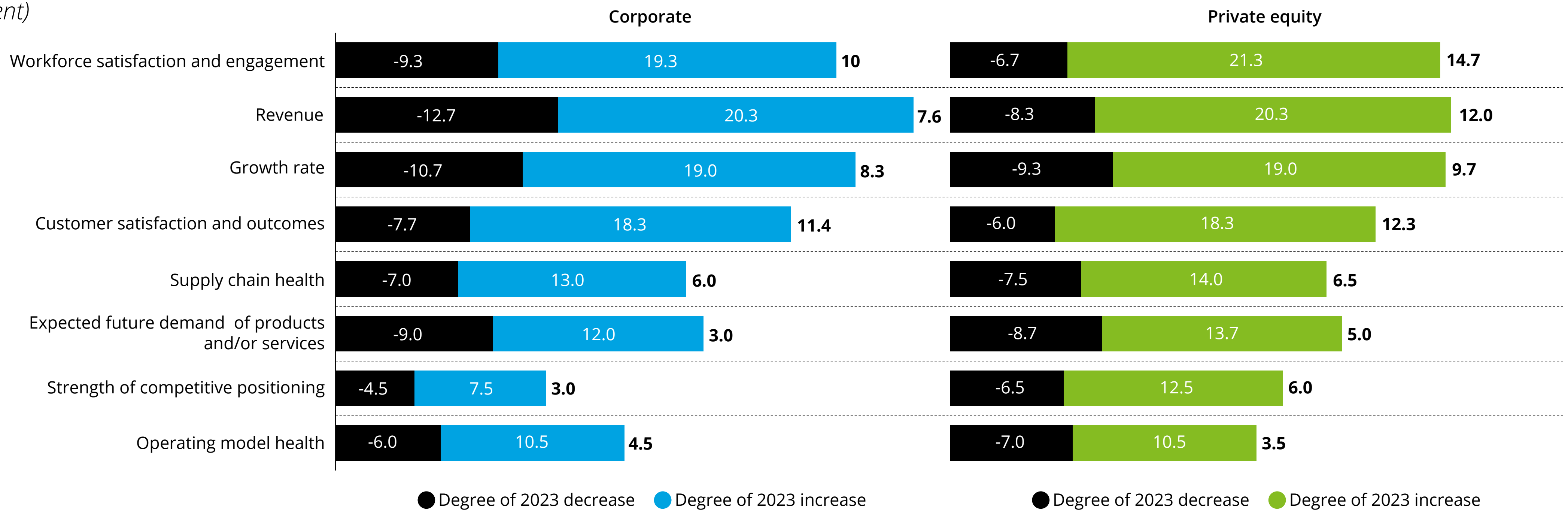
There's an adage that people have more in common than whatever might divide them. The same appears true when comparing the two major dealmaking constituencies—corporations and private equity investors. Our analysis of the survey responses supports that commonality of perception along with identification of headwinds and tailwinds.

Our analysis of the survey responses supports that commonality of perception along with identification of headwinds and tailwinds.

Finding 3

How has the current economic environment (e.g., inflation, interest rates, talent) impacted the following metrics for your company (or portfolio companies for PEI respondents)?

(Percent)



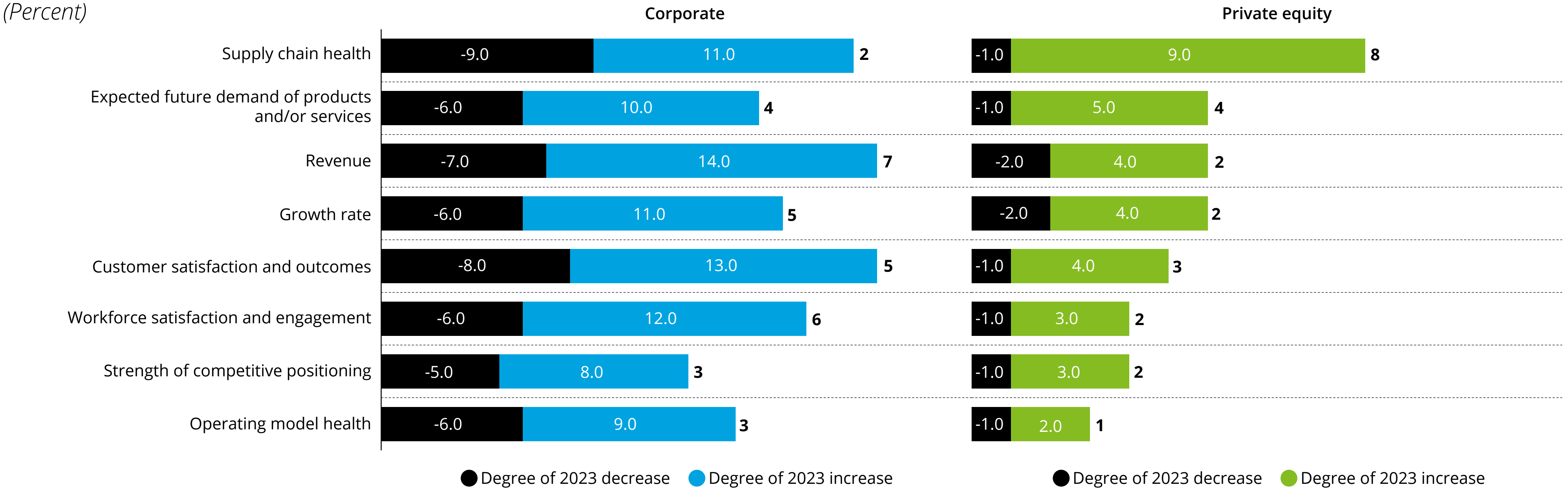
The percentages above were calculated as the difference between the percent of respondents indicating decrease (headwind) or increase (tailwind) for the relevant metric in 2023 when compared with the average percentage responding similarly from across the three preceding years (2020--2022). In this way, we were able to determine the extent to which corporate and private equity dealmakers perceived the economy impact as tailwind or headwind relative to the previous years. Similarly, the numbers to the right of each bar indicate the degree to which economy impact was perceived as tailwind or headwind by calculating the difference between those indicating each. As example, using the first metric, workforce satisfaction and engagment, we see that in 2023, for both corporate and pe respondents, the bullish view of economy impacting the metric positively exceeded the bearish view by 10 and 14.7 points, respectively.

N=740

Finding 3

How has the current governmental environment (e.g.,geopolitical, regulatory) impacted the following metrics for your company (or portfolio companies for PEI respondents)?

(Percent)



Percentages calculated as the difference between the percent of respondents indicating decrease (headwind) or increase (tailwind) for the relevant metric in 2023 when compared with the average percentage responding similarly from across the three preceding years (2020--2022). In this way, we were able to determine the extent to which corporate and private equity dealmakers perceived the economy's impact as tailwind or headwind relative to the previous years. Similarly, the numbers to the right of each bar indicate the degree to which economy impact was perceived as tailwind or headwind by calculating the "difference between differences" for those indicating each. As example, using the first metric, workforce satisfaction and engagement, we see that in 2023, for private equity respondents, the bullish view of the economy impacting the metric positively exceeded the bearish view by 14.7 points, the largest positive difference across all metrics for private equity respondents.

Due to rounding, percentages may not add up to 100%.
N=740

Conclusion

People often speak of M&A in terms of "bets" that organizations place. Uncertainty is omnipresent for dealmakers.

As we look back on 10 years of this survey and the insights it has produced, what appears to have changed is the way dealmakers handle that uncertainty. If you were around during the Great Recession, you likely remember a lot of talk about waiting things out, staying on the sidelines, and keeping one's powder dry—there was no shortage of metaphors for "don't take risks."

Today, after so many shocks and mixed signals, it seems dealmakers have now evolved to a new normal. That new normal, of course, is about perpetual, and a different character of, uncertainty. And with that, our survey shows that the ultimate differentiator between dealmakers is likely that those who center their M&A planning, strategy, and execution around an embrace of uncertainty may experience the greatest success. Risk management has evolved, and the technology based on high-volume data for deal intelligence has entered a new era with Generative AI and other new technologies. The more the quantitative evidence of instability and doubt seems to multiply, the bolder and more successful deal making may become.

That's why our focus on "minding the gap" is apt as 2024 dawns. When your organization is more oriented to avoid or sidestep uncertainty and complexity versus fully understanding and exploiting the M&A world as it is, the gap may as well be a brick wall. Not anymore. In both corporate and private equity, decision-makers are building bridges; lengthening their views; and increasingly watching, analyzing, and embracing things that lie on the other side.

The more the quantitative evidence of instability and doubt seems to multiply, the bolder and more successful deal making may become.

Next steps for this research

Knowing the lay of the land is a precursor for setting out across it. The findings summarized in this report—and the ongoing sources of intelligence that inform Deloitte's Mergers, Acquisitions, and Restructuring Services practice—should continue to provide readers with the benefits of up-to-date knowledge and guidance on the likely strategies that emerge from it.

Stay up to date on the latest findings, trends, and thought leadership from Deloitte's Mergers, Acquisitions, and Restructuring Services practice at www.deloitte.com/us/mergers.

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About the survey

Between September 19, 2023, and October 10, 2023, a Deloitte survey conducted by OnResearch, a market research firm, surveyed 1,500 executives—760 at US-headquartered corporations and 740 with private equity firms, also based in the US—to gauge their expectations for M&A activity in the upcoming 12 months as well as their experiences with recent transactions. All corporate survey participants work either for private or public companies with revenues in excess of $250 million (75% of the corporate respondents work for companies with revenues in excess of $1 billion). Ninety-five percent of the private equity respondents work for firms that manage primary funds in excess of $1 billion. Nearly 70% of the respondents sit within the C-suite. All respondents indicated that they have personal involvement with their respective firms' M&A activities. The corporate respondents work in a variety of industries, including technology, media, and telecommunications; consumer; energy and resources; financial services; and life sciences and health care.

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Endnotes

1. Bureau of Labor Statistics/US Department of Labor (CPI), January 11, 2024. Federal Reserve Bank of St. Louis (Effective federal funds rate), December 13, 2023.
2. Bureau of Labor Statistics/US Department of Labor, December 22, 2023.
3. Ibid.
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6. Bob Pisani, "The IPO market has grown quiet again. Here's what is behind the shift in sentiment," CNBC, November 9, 2023.