

Market Coverage Summary Metrics

All PE Firms & Peer Groups

The 2023 SPS Deal Origination Benchmark Report (DOBR) is an annual publication received by each qualifying SPS client comparing its Market Coverage to a peer group of similar private equity firms and the overall industry.

The report provides detailed analysis on each sponsor's deal sourcing strategy relative to its peers, allowing the firm to gauge its performance and prioritize specific areas for additional focus in the year ahead. It is the industry standard, delivering unparalleled insight to each sponsor's efficacy for originating deals.

The 2023 edition includes 167 qualified PE firms, segmented into 8 different peer groups. The average Market Coverage for the full sample is 17.8%, a slight decline from 18.2% in the 2022 DOBR.

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Summary Table

All PE Firms and Peer Groups*

	Median	Max	Min	Top Quartile
All PE Firms				
All Types ¹	17.8%	63.2%	1.8%	27.6%
Boutique ²	13.1%	69.2%	0.0%	21.0%
Most Active ³	19.9%	62.5%	2.2%	29.5%
Generalist⁴				
Middle Mkt	23.9%	46.2%	2.0%	30.4%
Lower Middle Mkt	8.9%	28.5%	1.8%	14.3%
Quasi-Generalist⁵				
Middle Mkt	27.5%	48.6%	9.0%	30.7%
Lower Middle Mkt	12.0%	25.2%	3.4%	18.0%
Sector-Focused⁶				
Middle Mkt	29.7%	63.2%	13.5%	35.3%
Lower Middle Mkt	13.7%	26.9%	2.9%	21.2%
Deal Size Only				
Upper Mkt	36.1%	50.0%	18.2%	40.8%
Lower Mkt	10.2%	16.0%	2.6%	12.6%

Foot Notes
¹Percentage of completed deals with a PE buyer and sell-side advisor in relevant industries and size ranges, reviewed by a PE firm.

²Mkt Cov of transactions in a PE firm's target market represented by sell-side advisors that closed 1-2 deals to PE firm buyers in the LTM 6.30.23 period.

³Mkt Cov of transactions in a PE firm's target market represented by sell-side advisors that closed 3 deals or more to PE firm buyers in the LTM 6.30.23 period.

⁴PE firms considering 67%–100% of deals to be in relevant industries, within target size ranges.

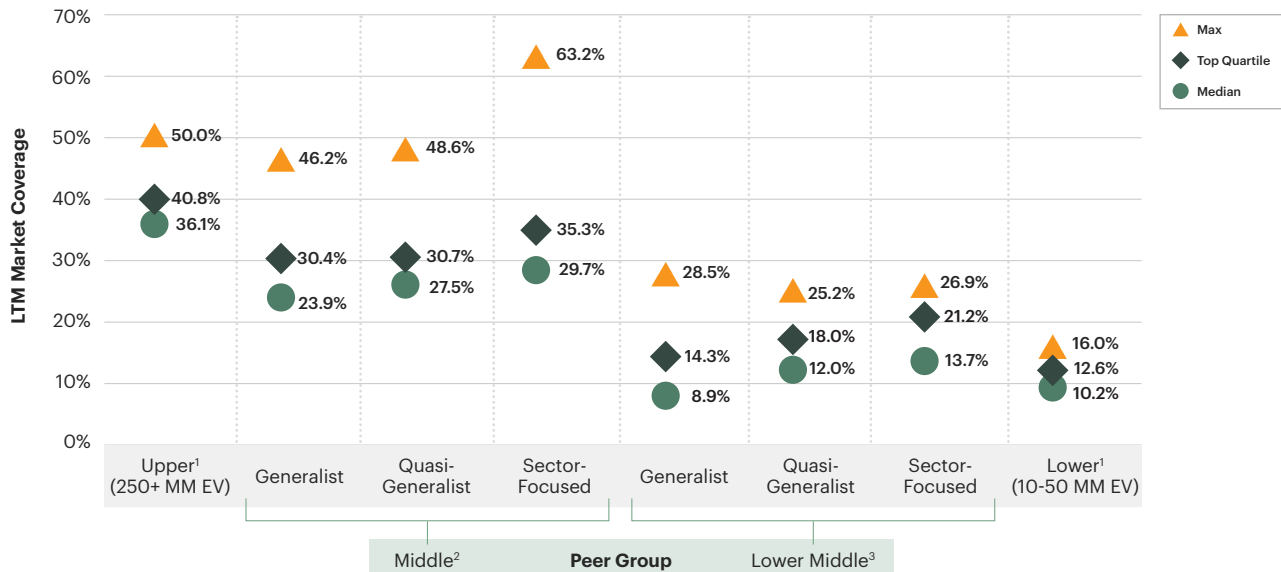
⁵PE firms considering 34%–66% of deals to be in relevant industries, within target size ranges.

⁶PE firms considering 0%–33% of deals to be in relevant industries, within target size ranges.

*As of the LTM period ending 6/30/2023, based on SPS' 167 PE clients that qualified for the annual Deal Origination Benchmark Report (DOBR).

Summary Chart

Market Coverage by Peer Group*



Foot Notes

- ¹ Groups defined solely by a PE firm's target deal size range, regardless of industry focus.
- ² Groups that do not invest below \$50MM EV, further segmented by degree of industry focus.
- ³ Groups that do invest below \$50MM EV, amongst other sizes, further segmented by degree of industry focus.

*As of the LTM period ending 6/30/2023, based on SPS' 167 PE clients that qualified for the annual Deal Origination Benchmark Report (DOBR).

All Sponsors

Market Coverage

	Median	Max	Min	Top Quartile
Coverage by Intermediary				
All types	17.8%	63.2%	1.8%	27.6%
Boutique	13.1%	69.2%	0.0%	21.0%
Most Active	19.9%	62.5%	2.2%	29.5%
Percent Change (all int.)				
6M Prior	0.1%	9.8%	-8.9%	1.0%
12M Prior	0.0%	10.1%	-14.1%	2.6%
Coverage by Sell-Side Process				
Limited	0.0%	20.0%	0.0%	1.0%
Moderate	4.3%	63.6%	0.0%	9.0%
Broad	32.3%	78.3%	3.4%	44.8%

Deal Sourcing

	Median	Max	Min
New Investments			
Platforms	2	12	0
Addons	3	37	0
Dealflow Metrics			
Pipeline Closing % ¹	31%	54%	6%
Annual Dealflow ²	740	5,834	91
Unique Intermediaries ³	195	877	19
Deals sourced per Unique Int. ⁴	2.8	8.4	1.2
Macro Metrics			
BD Professionals ⁵	1	15	0
Int. Fragmentation Ratio ⁶	3.1	3.7	2.2
Target Market Relevancy % ⁷	44%	100%	6%

Foot Notes

¹ Percentage of a PE firm's pipeline that successfully closes to any investor. Date Seen range lags 12 months to account for closing time.

² Number of deals logged (origination date) per PE firm in the LTM 6.30.23 period.

³ Number of sell-side advisors a PE firm logged deals from during the LTM 6.30.23 period; only includes names that have closed at least 1 deal as per SPS data.

⁴ Average number of deals sourced per unique intermediary (origination date) during the LTM 6.30.23 period.

⁵ Number of professionals at a PE firm whose time is dedicated to deal sourcing.

⁶ Average number of PE transactions closed per sell-side advisor in a PE firm's relevant deal size range, during the LTM 6.30.23 period.

⁷ Percentage of deals in a PE firm's deal size range that are considered relevant after applying industry and other criteria.

*As of the LTM period ending 6/30/2023, based on SPS' 167 PE clients that qualified for the annual Deal Origination Benchmark Report (DOBR).

Generalist Lower Middle Market (10+ MM EV)*

Market Coverage

	Median	Max	Min	Top Quartile
Coverage by Intermediary				
All types	8.9%	28.5%	1.8%	14.3%
Boutique	6.3%	24.4%	1.0%	9.1%
Most Active	10.1%	30.6%	2.3%	17.3%
Percent Change (all int.)				
6M Prior	0.2%	1.5%	-0.7%	0.6%
12M Prior	0.2%	2.6%	-2.5%	1.0%
Coverage by Sell-Side Process				
Limited	0.3%	3.5%	0.0%	0.6%
Moderate	2.4%	11.5%	0.2%	4.3%
Broad	20.3%	60.5%	4.1%	28.7%

Deal Sourcing

	Median	Max	Min
New Investments			
Platforms	3	9	0
Addons	4	15	0
Dealflow Metrics			
Pipeline Closing % ¹	34%	42%	16%
Annual Dealflow ²	734	5,834	178
Unique Intermediaries ³	192	661	69
Deals sourced per Unique Int. ⁴	2.7	5.4	1.7
Macro Metrics			
BD Professionals ⁵	1	4	0
Int. Fragmentation Ratio ⁶	3.1	3.3	3.1
Target Market Relevancy % ⁷	78%	90%	66%

Foot Notes

¹ Percentage of a PE firm's pipeline that successfully closes to any investor. Date Seen range lags 12 months to account for closing time.

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⁶ Average number of PE transactions closed per sell-side advisor in a PE firm's relevant deal size range, during the LTM 6.30.23 period.

⁷ Percentage of deals in a PE firm's deal size range that are considered relevant after applying industry and other criteria.

*Peer Group definition: PE firms considering 67%–100% of deals to be in relevant industries, within target size ranges \$10 MM EV and above.

Generalist Middle Market (50+ MM EV)*

Market Coverage

	Median	Max	Min	Top Quartile
Coverage by Intermediary				
All types	23.9%	46.2%	2.0%	30.4%
Boutique	18.1%	42.8%	2.0%	23.7%
Most Active	25.0%	48.6%	2.2%	34.4%
Percent Change (all int.)				
6M Prior	-0.5%	1.9%	-4.6%	0.8%
12M Prior	-0.7%	3.4%	-7.1%	2.1%
Coverage by Sell-Side Process				
Limited	0.0%	4.5%	0.0%	1.0%
Moderate	3.1%	26.3%	0.0%	5.3%
Broad	38.9%	72.0%	3.4%	45.0%

Deal Sourcing

	Median	Max	Min
New Investments			
Platforms	2	10	0
Addons	5	28	0
Dealflow Metrics			
Pipeline Closing % ¹	34%	45%	22%
Annual Dealflow ²	827	4,152	110
Unique Intermediaries ³	188	586	53
Deals sourced per Unique Int. ⁴	3.4	5.4	1.9
Macro Metrics			
BD Professionals ⁵	1	10	0
Int. Fragmentation Ratio ⁶	3.1	3.5	2.8
Target Market Relevancy % ⁷	73%	100%	66%

Foot Notes

¹ Percentage of a PE firm's pipeline that successfully closes to any investor. Date Seen range lags 12 months to account for closing time.

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⁶ Average number of PE transactions closed per sell-side advisor in a PE firm's relevant deal size range, during the LTM 6.30.23 period.

⁷ Percentage of deals in a PE firm's deal size range that are considered relevant after applying industry and other criteria.

*Peer Group definition: PE firms considering 67%–100% of deals to be in relevant industries, within target size ranges \$50 MM EV and above.

Quasi-Generalist Lower Middle Market (10+ MM EV)*

Market Coverage

	Median	Max	Min	Top Quartile
Coverage by Intermediary				
All types	12.0%	25.2%	3.4%	18.0%
Boutique	9.2%	22.4%	3.6%	13.0%
Most Active	13.4%	27.4%	3.2%	20.1%
Percent Change (all int.)				
6M Prior	0.1%	3.2%	-2.2%	1.0%
12M Prior	-0.1%	4.8%	-3.8%	1.5%
Coverage by Sell-Side Process				
Limited	0.3%	1.8%	0.0%	0.8%
Moderate	3.9%	16.1%	0.5%	5.5%
Broad	26.0%	49.6%	7.6%	37.7%

Deal Sourcing

	Median	Max	Min
New Investments			
Platforms	2	6	0
Addons	4	19	0
Dealflow Metrics			
Pipeline Closing % ¹	30%	47%	13%
Annual Dealflow ²	911	2,455	203
6Unique Intermediaries ³	255	454	56
Deals sourced per Unique Int. ⁴	2.8	6.1	1.8
Macro Metrics			
BD Professionals ⁵	1	7	0
Int. Fragmentation Ratio ⁶	3.1	3.4	3.1
Target Market Relevancy % ⁷	45%	64%	34%

Foot Notes

¹ Percentage of a PE firm's pipeline that successfully closes to any investor. Date Seen range lags 12 months to account for closing time.

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³ Number of sell-side advisors a PE firm logged deals from during the LTM 6.30.23 period; only includes names that have closed at least 1 deal as per SPS data.

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⁶ Average number of PE transactions closed per sell-side advisor in a PE firm's relevant deal size range, during the LTM 6.30.23 period.

⁷ Percentage of deals in a PE firm's deal size range that are considered relevant after applying industry and other criteria.

*Peer Group definition: PE firms considering 34%–66% of deals to be in relevant industries, within target size ranges \$10 MM EV and above.

Quasi-Generalist Middle Market (50+ MM EV)*

Market Coverage

	Median	Max	Min	Top Quartile
Coverage by Intermediary				
All types	27.5%	48.6%	9.0%	30.7%
Boutique	18.7%	46.8%	3.7%	26.1%
Most Active	29.1%	50.5%	11.7%	35.0%
Percent Change (all int.)				
6M Prior	0.2%	3.3%	-4.9%	1.2%
12M Prior	2.0%	8.3%	-8.1%	3.9%
Coverage by Sell-Side Process				
Limited	0.0%	3.2%	0.0%	0.0%
Moderate	4.3%	13.3%	0.0%	6.2%
Broad	42.9%	67.7%	14.2%	45.5%

Deal Sourcing

	Median	Max	Min
New Investments			
Platforms	2	6	0
Addons	4	19	0
Dealflow Metrics			
Pipeline Closing % ¹	30%	50%	13%
Annual Dealflow ²	982	2,453	234
Unique Intermediaries ³	255	449	56
Deals sourced per Unique Int. ⁴	2.8	6.1	1.8
Macro Metrics			
BD Professionals ⁵	1	7	0
Int. Fragmentation Ratio ⁶	3.1	3.7	3.1
Target Market Relevancy % ⁷	45%	64%	33%

Foot Notes

¹ Percentage of a PE firm's pipeline that successfully closes to any investor. Date Seen range lags 12 months to account for closing time.

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⁷ Percentage of deals in a PE firm's deal size range that are considered relevant after applying industry and other criteria.

*Peer Group definition: PE firms considering 34%–66% of deals to be in relevant industries, within target size ranges \$50 MM EV and above.

Sector-Focused Lower Middle Market (10+ MM EV)*

Market Coverage

	Median	Max	Min	Top Quartile
Coverage by Intermediary				
All types	13.7%	26.9%	2.9%	21.2%
Boutique	10.8%	34.9%	0.0%	16.3%
Most Active	14.4%	34.5%	3.3%	22.3%
Percent Change (all int.)				
6M Prior	0.2%	5.6%	-3.4%	1.3%
12M Prior	1.0%	6.7%	-7.5%	2.7%
Coverage by Sell-Side Process				
Limited	0.0%	3.3%	0.0%	1.0%
Moderate	5.2%	17.6%	0.0%	10.0%
Broad	25.9%	55.0%	5.7%	40.0%

Deal Sourcing

	Median	Max	Min
New Investments			
Platforms	1	3	0
Addons	1	12	0
Dealflow Metrics			
Pipeline Closing % ¹	31%	54%	10%
Annual Dealflow ²	437	1,459	91
Unique Intermediaries ³	160	313	69
Deals sourced per Unique Int. ⁴	2.3	4.7	1.2
Macro Metrics			
BD Professionals ⁵	1	3	0
Int. Fragmentation Ratio ⁶	3.1	3.4	2.3
Target Market Relevancy % ⁷	17%	32%	8%

Foot Notes

¹ Percentage of a PE firm's pipeline that successfully closes to any investor. Date Seen range lags 12 months to account for closing time.

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³ Number of sell-side advisors a PE firm logged deals from during the LTM 6.30.23 period; only includes names that have closed at least 1 deal as per SPS data.

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⁵ Number of professionals at a PE firm whose time is dedicated to deal sourcing.

⁶ Average number of PE transactions closed per sell-side advisor in a PE firm's relevant deal size range, during the LTM 6.30.23 period.

⁷ Percentage of deals in a PE firm's deal size range that are considered relevant after applying industry and other criteria.

*Peer Group definition: PE firms considering 0%–33% of deals to be in relevant industries, within target size ranges \$10 MM EV and above.

Sector-Focused Middle Market (50+ MM EV)*

Market Coverage

	Median	Max	Min	Top Quartile
Coverage by Intermediary				
All types	29.7%	63.2%	13.5%	35.3%
Boutique	26.3%	69.2%	0.0%	34.9%
Most Active	31.5%	62.5%	17.8%	38.0%
Percent Change (all int.)				
6M Prior	0.0%	6.2%	-8.1%	1.8%
12M Prior	0.9%	9.2%	-8.8%	4.6%
Coverage by Sell-Side Process				
Limited	0.0%	20.0%	0.0%	3.4%
Moderate	8.6%	63.6%	0.0%	16.3%
Broad	42.0%	68.3%	18.0%	51.9%

Deal Sourcing

	Median	Max	Min
New Investments			
Platforms	3	12	0
Addons	3	18	0
Dealflow Metrics			
Pipeline Closing % ¹	30%	41%	6%
Annual Dealflow ²	773	4,362	207
Unique Intermediaries ³	204	471	64
Deals sourced per Unique Int. ⁴	3.0	8.0	2.1
Macro Metrics			
BD Professionals ⁵	2	4	0
Int. Fragmentation Ratio ⁶	3.1	3.5	2.8
Target Market Relevancy % ⁷	22%	32%	6%

Foot Notes

¹ Percentage of a PE firm's pipeline that successfully closes to any investor. Date Seen range lags 12 months to account for closing time.

² Number of deals logged (origination date) per PE firm in the LTM 6.30.23 period.

³ Number of sell-side advisors a PE firm logged deals from during the LTM 6.30.23 period; only includes names that have closed at least 1 deal as per SPS data.

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⁶ Average number of PE transactions closed per sell-side advisor in a PE firm's relevant deal size range, during the LTM 6.30.23 period.

⁷ Percentage of deals in a PE firm's deal size range that are considered relevant after applying industry and other criteria.

*Peer Group definition: PE firms considering 0%–33% of deals to be in relevant industries, within target size ranges \$50 MM EV and above.

Lower Market (10-49 MM EV)*

Market Coverage

	Median	Max	Min	Top Quartile
Coverage by Intermediary				
All types	10.2%	16.0%	2.6%	12.6%
Boutique	9.6%	15.6%	1.7%	12.1%
Most Active	9.6%	16.4%	3.3%	13.8%
Percent Change (all int.)				
6M Prior	0.2%	1.1%	-2.0%	0.6%
12M Prior	-0.6%	2.1%	-2.6%	0.6%
Coverage by Sell-Side Process				
Limited	0.0%	1.9%	0.0%	1.1%
Moderate	3.4%	9.2%	0.6%	7.7%
Broad	28.6%	40.4%	7.0%	31.5%

Deal Sourcing

	Median	Max	Min
New Investments			
Platforms	2	4	1
Addons	2	6	1
Dealflow Metrics			
Pipeline Closing % ¹	23%	30%	12%
Annual Dealflow ²	948	1,964	556
Unique Intermediaries ³	293	349	75
Deals sourced per Unique Int. ⁴	2.5	6.0	1.6
Macro Metrics			
BD Professionals ⁵	1	2	0
Int. Fragmentation Ratio ⁶	2.3	2.3	2.3
Target Market Relevancy % ⁷	59%	93%	30%

Foot Notes

¹ Percentage of a PE firm's pipeline that successfully closes to any investor. Date Seen range lags 12 months to account for closing time.

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³ Number of sell-side advisors a PE firm logged deals from during the LTM 6.30.23 period; only includes names that have closed at least 1 deal as per SPS data.

⁴ Average number of deals sourced per unique intermediary (origination date) during the LTM 6.30.23 period.

⁵ Number of professionals at a PE firm whose time is dedicated to deal sourcing.

⁶ Average number of PE transactions closed per sell-side advisor in a PE firm's relevant deal size range, during the LTM 6.30.23 period.

⁷ Percentage of deals in a PE firm's deal size range that are considered relevant after applying industry and other criteria.

*Peer Group definition: PE firms primarily investing between \$10-49 MM EV, regardless of industry focus.

Upper Market (250+ MM EV)*

Market Coverage

	Median	Max	Min	Top Quartile
Coverage by Intermediary				
All types	36.1%	50.0%	18.2%	40.8%
Boutique	29.9%	57.1%	15.8%	34.4%
Most Active	37.0%	54.2%	18.5%	41.4%
Percent Change (all int.)				
6M Prior	0.0%	9.8%	-8.9%	1.8%
12M Prior	-0.4%	10.1%	-14.1%	0.0%
Coverage by Sell-Side Process				
Limited	0.0%	19.2%	0.0%	5.0%
Moderate	19.7%	60.9%	0.0%	31.4%
Broad	51.2%	78.3%	25.0%	62.5%

Deal Sourcing

	Median	Max	Min
New Investments			
Platforms	3	10	0
Addons	8	37	1
Dealflow Metrics			
Pipeline Closing % ¹	38%	47%	19%
Annual Dealflow ²	404	2,489	118
Unique Intermediaries ³	106	474	19
Deals sourced per Unique Int. ⁴	3.6	5.4	1.5
Macro Metrics			
BD Professionals ⁵	1	3	0
Int. Fragmentation Ratio ⁶	2.7	2.9	2.2
Target Market Relevancy % ⁷	64%	100%	13%

Foot Notes

¹ Percentage of a PE firm's pipeline that successfully closes to any investor. Date Seen range lags 12 months to account for closing time.

² Number of deals logged (origination date) per PE firm in the LTM 6.30.23 period.

³ Number of sell-side advisors a PE firm logged deals from during the LTM 6.30.23 period; only includes names that have closed at least 1 deal as per SPS data.

⁴ Average number of deals sourced per unique intermediary (origination date) during the LTM 6.30.23 period.

⁵ Number of professionals at a PE firm whose time is dedicated to deal sourcing.

⁶ Average number of PE transactions closed per sell-side advisor in a PE firm's relevant deal size range, during the LTM 6.30.23 period.

⁷ Percentage of deals in a PE firm's deal size range that are considered relevant after applying industry and other criteria.

*Peer Group definition: PE firms primarily investing \$250 MM EV and above, regardless of industry focus.

Transform how you source deals with SPS

Most investment professionals see only 10% to 30% of deals within their target universe. SPS enables you to see more relevant deals and also identify the advisors, sponsors, lenders, and law firms involved in the deal so you can leverage your contacts and add these new connections to your network.

Streamline business development with deal intelligence to better:

- Measure and analyze your market coverage of deals in your investment criteria and identify which intermediary relationships to strengthen
- Reveal potential broken deals in your pipeline and relevant PE holdings that may be ready to exit
- Identify centers of influence in different sectors and geographies, and warm intros with contacts of interest

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SPS is an award-winning provider of actionable data and analytics for PE and M&A professionals to optimize their business development and deal sourcing efforts.