



SURVEY REPORT 2025

For the 5th year running, Gunner & Co. approached the market to understand business owner's succession plans, including important factors such as preferred route to succession, timing and motivations.

Is succession planning part of strategic planning?

Our starting point was to understand how succession planning was incorporated into overall business planning. Every business has a lifecycle, and so succession planning is a critical part of a business plan from day one.



As the M&A landscape evolves, strategic planning has never been more critical for financial planning business owners. With valuations becoming more measured, new Consumer Duty regulatory requirements tightening compliance expectations, and tax reliefs such as Business Asset Disposal Relief set to change, business owners need to remain responsive to both regulatory and market dynamics.

At Gunner & Co., we share the latest data and perspectives through our [insights](#) hub, [newsletters](#) and [events](#) to help you shape more informed, future-proof plans. **For a real-world view of how early planning shapes successful outcomes, watch this short video: [Behind the Story: How This Deal Was Made](#).**

What drives motivation for a change in ownership structure?

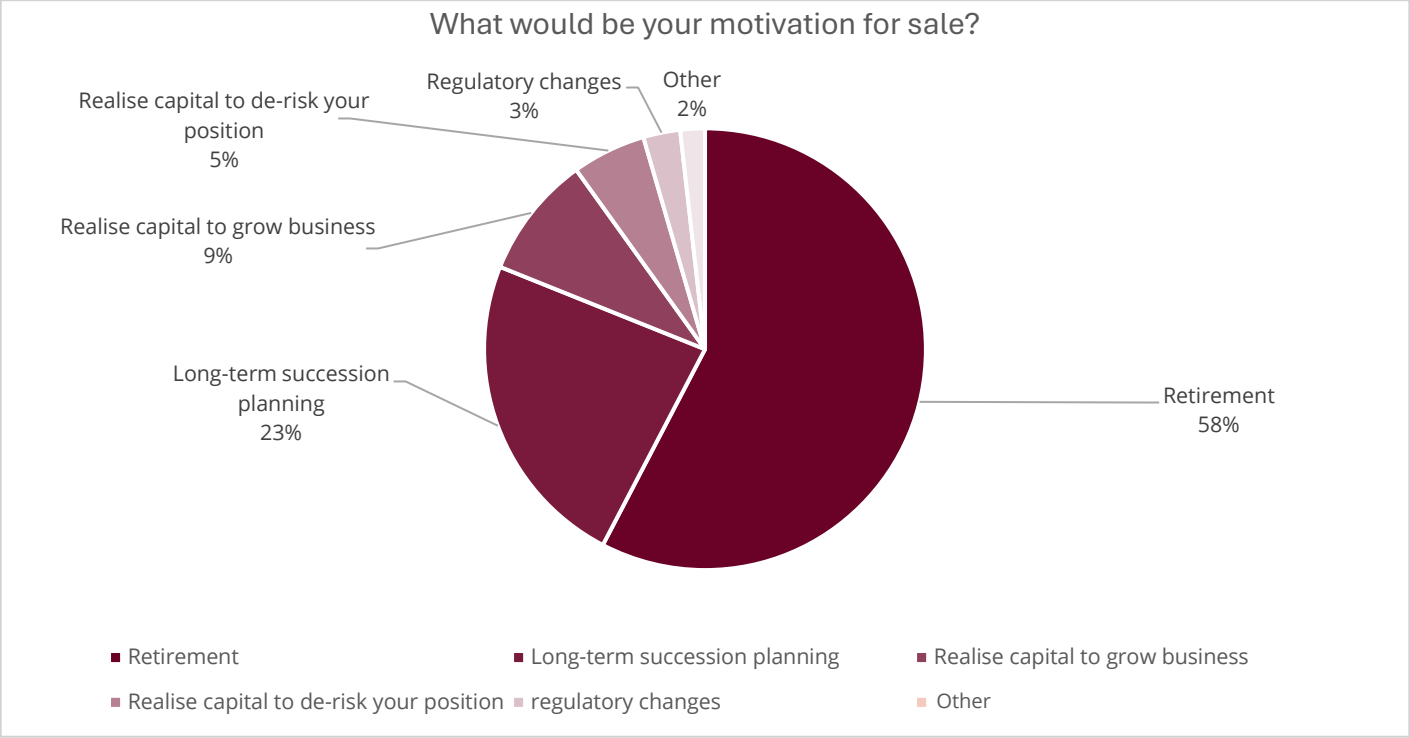
For the fifth consecutive year, **retirement** remains the primary driver for a change in ownership structure, rising slightly to 58% in 2025 from 56% last year. This consistent upward trend suggests that a growing number of advisers are reaching retirement age, prompting more business owners to take active steps toward succession. It may also reflect increased awareness of the importance of planning ahead- particularly as market dynamics, tax changes, and regulatory pressure have made early preparation more critical to achieving the right exit.



While motivations such as realising capital to grow (9%) or de-risk (5%) remain less common, they reflect an evolving mindset where business owners are aligning succession goals with broader strategic objectives.

The influence of regulatory changes has declined this year, falling to just 3% from 8% in 2024. While still a factor in shaping buyer behaviour - particularly in due diligence and post-acquisition

integration - it appears that fewer vendors see regulation as a direct motive for sale. This likely reflects the fact that many firms have now addressed the issues concerning Consumer Duty, meaning it is no longer a pressing concern for most.

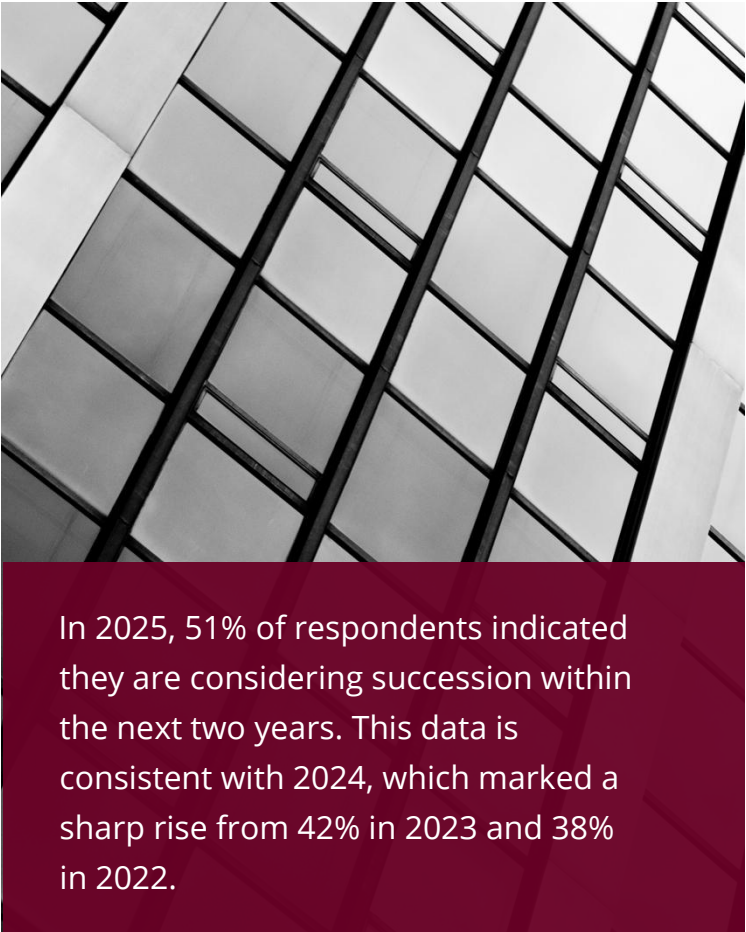
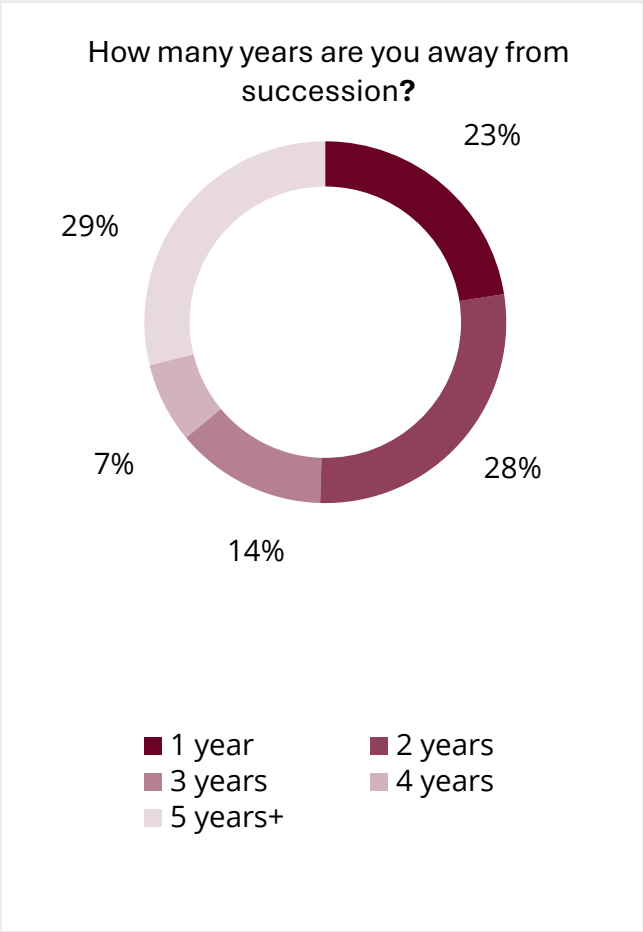


With retirement and long-term succession planning leading as the major motives for sale in 2025, it's clear that early preparation is key to securing the best outcome from a future exit. **Start by booking a free, bespoke market overview consultation with Gunner & Co.** - we'll help you understand how your business fits into today's evolving M&A landscape and what steps you can take now to strengthen your position.

How many years away from succession are business owners?

Despite economic and political uncertainties, M&A activity remains resilient, driven by a broadening buyer pool and increased competition for high-quality firms. In 2025, 51% of respondents indicated they are considering succession within the next two years. This data is consistent with 2024, which marked a sharp rise from 42% in 2023 and 38% in 2022.

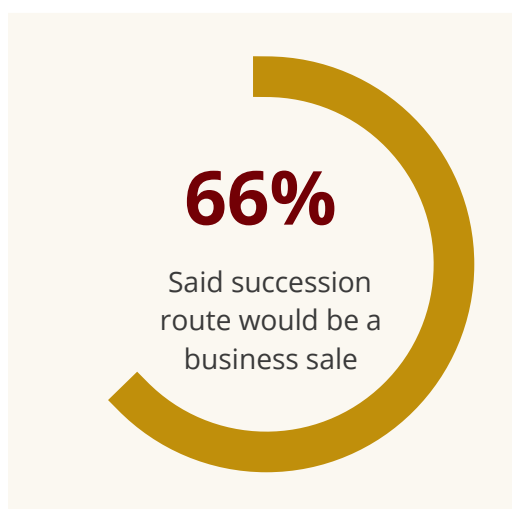
In light of the tax changes announced in the Autumn Budget 2024, the proportion of business owners planning to exit within the next two to three years has remained steady. This consistency indicates that short to medium term exit planning is now firmly embedded in business strategy, rather than representing a temporary spike in response to tax policy or market pressures.



A successful business exit doesn't happen overnight - it's a strategic process that benefits greatly from early preparation. With half of IFA business owners now planning to exit within the next two years, our data shows early succession planning is no longer optional, but standard practice.

Start your exit journey early by **booking a free [consultation](#)** with Gunner & Co. - understand your timeline, explore your options, and build a plan that delivers the best outcome for you, your clients and your team. To take the next step, order a valuation report to understand what your firm is really worth.

What are the preferred exit routes?



In 2025, **business sale** remains the preferred succession route, chosen by 66% of respondents. While still the dominant option, this marks a gradual decline from 75% in 2024 and 77% in 2023. The most significant increase is seen in **management buy-outs**, which rose to 14% in 2025, up from 9% last year. The data indicates a subtle shift from external sales to internal handover options.

This trend highlights how business owners are taking a more thoughtful, strategic approach to succession. As the FCA sharpens its focus on due diligence, liability transfer and review standards, external sales have become more complex - prompting some owners to explore internal handovers, where integration risks can be more easily managed.

This doesn't limit sellers - it rewards those who plan ahead. By engaging early and working with the right broker and due diligence experts, vendors are in a strong position to achieve a successful sale. Supported by experienced advisers and early planning, business sale consistently proves to be a valuable and well-aligned succession option.



14%

Said a management
buy-out route would
be their preferred

What type of buyers are preferred?

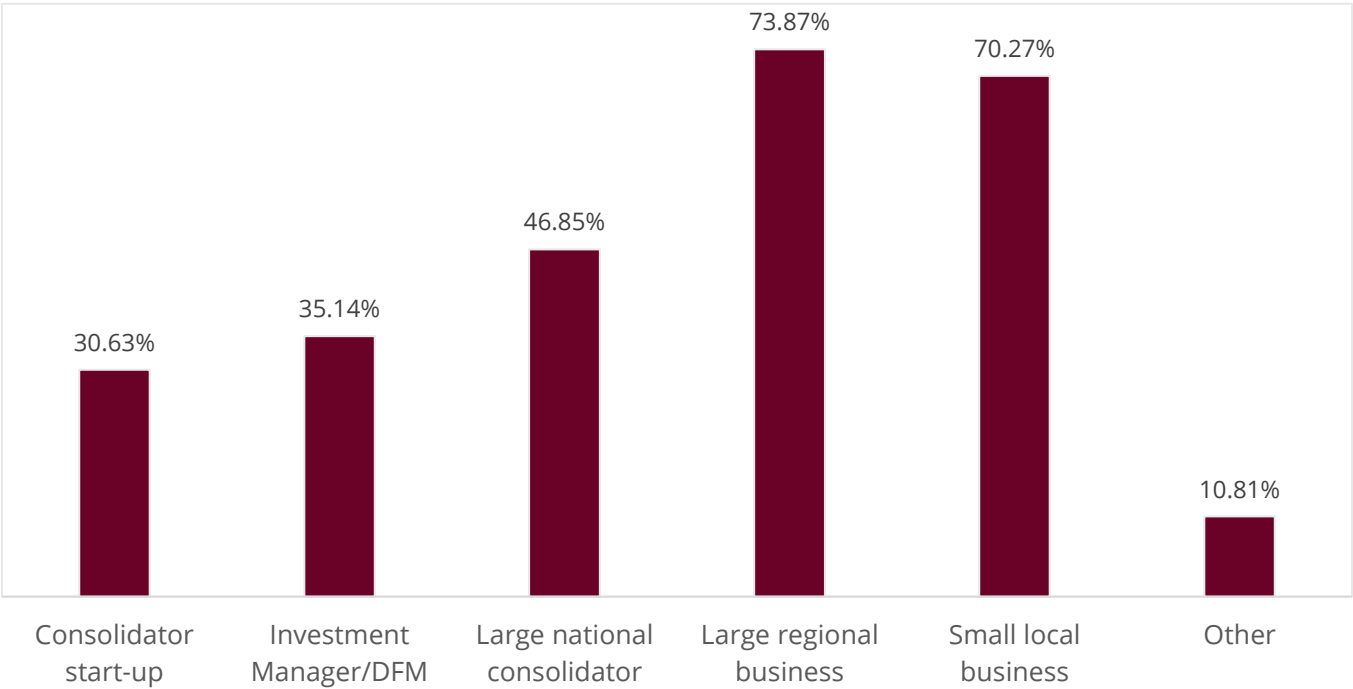
While growing regulatory expectations have added complexity to deal execution, buyer appetite remains strong - particularly among well-capitalised acquirers with integration-focused strategies.

Among survey respondents, **large regional businesses** emerged as the top choice, with **74%** of sellers indicating they would consider selling to them. **Small local businesses** (70%) have also seen a sharp rise, now firmly positioned ahead of large national consolidators (47%). This reflects a growing preference for culturally aligned acquirers that offer both integration sensitivity and regional market understanding.

Importantly, many regional firms are now backed by long-term capital or private equity, giving them greater funding certainty and the ability to compete with larger consolidators. At the same time, the PE-backed consolidator landscape itself is expected to shift. Many firms that entered the market in 2019 are now approaching the end of their investment cycles. As they look to achieve scale and prepare for exits, we anticipate a **wave of mergers among PE-backed acquirers**, reshaping the buyer pool and potentially concentrating deal activity among fewer, larger players.

With more buyer types and deal structures now available - from culturally aligned regional acquirers to larger firms offering staged exits - business owners are encouraged to keep an open mind when planning their succession. Whatever your priorities or motivations may be, the key is identifying the option that best aligns with your goals. To help you build a clearer understanding of the current buyer landscape, **watch this 8-minute [video](#) or book a free [market overview consultation](#) to explore your personalised options.**

What type of buyer would you consider selling to?

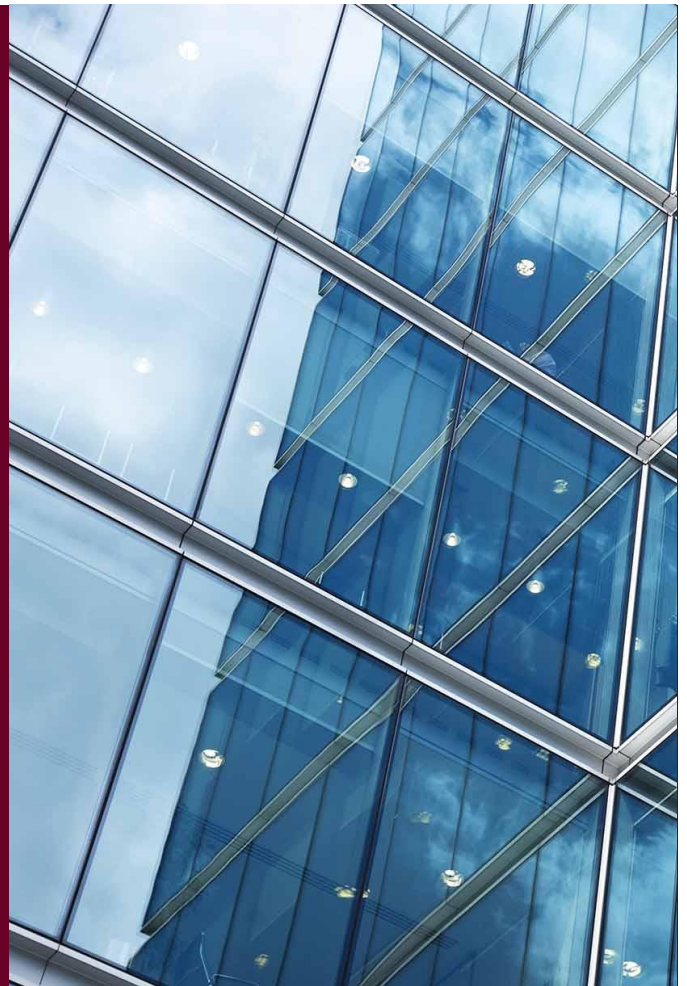


(Participants were allowed to select multiple options)

What are the 2 most important factors for a successful sale, including the role of Independence?

In 2025, the commitment to independence continues to grow, with **79.3%** of independent firms stating a preference to sell to another independent business - up from 76.4% in 2024. This steady rise reflects a clear strategic intent among business owners to preserve their independent status, business model, and client-centric values throughout the sale process.

When asked to select the **two most important factors for a successful sale**, alignment of client proposition remains the top priority for vendors, selected by 57.7% of respondents. Price, while still important, holds second place at 53.2%, continuing the shift away from purely financial drivers toward values-based alignment. The most notable change this year is the sharp rise in importance placed on a similar investment approach, which jumped from 17.9% in 2024 to 33.3% in 2025. This significant increase suggests that sellers are placing far greater weight on ensuring continuity in investment philosophy and client experience after the sale.



With cultural fit and investment alignment becoming key priorities for sellers, it's essential to **start your sale journey with a clear view of what matters most, and also partner with an expert** who knows the market and buyers best, to ensure the alignments from all perspectives. Define your non-negotiables - whether that's independence, client proposition, or investment philosophy - to ensure you find the right buyer and protect your legacy beyond the deal.

Disclaimer

Gunner & Co. opened the survey to all business owners in the market. The Analysis is based on 111 respondents during March and April 2025.

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Louise Jeffreys

Louise Jeffreys has extensive financial services M&A experience, having worked across many different transactions through Gunner & Co. Louise works with clients to define their exit strategies, helping individuals and businesses to understand their aspirations, and how that relates to current market conditions.

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Gwill Evans

Gwill Evans is an experienced M&A broker, having worked on many successful deals through Gunner & Co., with businesses both large and small. Gwill has helped a variety of clients to build effective exit strategies, working with all parties to ensure that expectations are met, with an appropriate buyer and deal structure in place to realise the best value and outcome.

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