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Email: tapchikhoahoc@hvu.edu.vn Website: www.hvu.edu.vn

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FINANCIAL DUE DILIGENCE FOR MERGERS AND ACQUISITIONS SUCCESSFULLY IN VALUATION BY A MULTIPLE COMPARABLE METHOD: THE CASE OF FACEBOOK ACQUIRED INSTAGRAM

Nguyen Thi Thu Huong*, Nguyen Huy Oanh

Hung Vuong University, Phu Tho, Vietnam

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ABSTRACT

Merger and acquisition are not new phenomena, but they are still intricate in many countries, especially in Vietnam. However, the most important thing how evaluate the target firms at the reasonable valuation when the figures and data supplied not enough, becomes a tough question to answer for acquirers. There are normally five key methods to calculate, such as Discounted cash flows (DCF), market multiples, market capitalization, economic value added (EVA), balance sheets etc. This research will use the method of market multiples to evaluate how successful of the deal between famous social medias Facebook acquired Instagram is illustrate the way investors can appraise the value of targets eventhough they do not have enough official information from small firms and target ones. A typical M&A activity involves proper due diligence, that is, sound homework prior to execution of merger. Due diligence can take various forms, such as legal due diligence, financial due diligence, and technical due diligence. This study, however, just focuses on financial due diligence for the case Facebook acquired Instagram. Legal due diligence is concerned with the legal issues of merger execution. Financial due diligence is concerned with the valuation of target firm and valuation of synergy that determine how much the acquirer firm needs to pay the target firm. This writing also will demonstrate the main procedures of the merger and acquisition deals in general and specifically for the case study Facebook acquired Instagram to understand more about how companies can become successful from merger and acquisitions.

Keywords: *Facebook, Instagram, mergers, acquisitions, M&A.*

1. Introduction

In the globalisation scenario, merger and acquisition become more and more popular with inorganic growth. It is a very good way to require and purchase growth and advantage

of other businesses. All investors desire to put in an offer companies at the lowest price to gain benefits in both long-term and short-term periods after participating required firms. Merger and acquisition play more and

*Email: huongoanhddhhv@gmail.com

more vital roles in the modern economy, for example: creating synergy for the merged entity, reducing inter- and intra-trade competitions, enhancing market and growth potentials, enhancing profitability prospects, diversifying the company, optimizing the utilization of resources, enhancing management efficiency, enhancing market value of the company, and increasing strategic competitiveness of the company [1]. Thus, M&As enhance the overall value of the company, thereby increasing the market worth. The enhanced market worth encapsulates the benefit derived in the form of operating and financial synergies and intangible assets.

Facebook was founded on February 4, 2004 by Mark Zuckerberg, a social networking and social media service website run by Facebook Inc. Initial enrollment is limited to students at Harvard. It is further expanded, and Facebook is by far the largest social network in the world.

Instagram was founded by Kevin Systrom and Mike Krieger in 2010, they launched the Instagram application and gradually developed into a photo sharing application with many advantages for mobile devices. Instagram is a mobile application that enables people to take photos or videos, customize them with filter effects, and share them with friends and followers in a photo feed or send them directly to friends. In less than two years, Instagram allowed users to share photos on their phones with friends, has 26 million of 30 million iPhone users joining Instagram in

2011. Moreover, Instagram launched an app for Android users and takes just 12 hours to 1 million users join this social network [12], [17], [19].

Facebook acquired Instagram firstly, because it did not want a competitor to snap it up first. Facebook is having a midlife crisis, and the acquisition of the beloved, hip photo-sharing app is its equivalent of buying a sports car. The universal consensus is that Facebook isn't cool anymore. It's got wrinkles, or at least many more users with wrinkles. By buying Instagram, Facebook bought itself 30 million hipsters, and all of their wonderful hipster cool [2], [4], [5]. Secondly, most people are on Facebook to look at other people's photos, and Facebook wants to keep it that way. More data which translates into better mobile ads. Thirdly, it wanted to buy soul. Facebook has become a huge, money-making behemoth, which makes it very attractive to investors but makes it slightly harder to take Mark Zuckerberg seriously when he waxes poetic about the Hacker Way. The users of Instagram are still enamored of their little app, so much so that they feel outraged about it selling out. Fourthly, it is cheaper than inventing a time machine. It wanted an upscale version of Facebook to keep the digital upper class happy. Finally, it is scared that so many started out by wounding an older tech giant, they know they can be killed, or at least severely injured, by that which lurks in the rented office space of Silicon Valley - an even hotter, younger technology company.

All of the writings talk about the successful result of this deal between Facebook and Instagram, however, they did not mention more details about how they can calculate the financial due diligent by a multiple comparable method to exactly decided like that. Some question are given why Facebook could give the price to acquire Instagram very correctly and quickly about their assets to become famous and richer and richer for both of them. If they could use comparable method to infer for all kinds of companies when they did not know exactly about the balance sheets of target firms?

2. Methodologies

In the competitive environment, it is not easy to obtain information and know-how knowledge from all companies and firms' internal reports. This paper illustrates five key steps in comparable analysis, including selection of comparable companies, Identifying required financial information, Determine key financial statistics, ratios, and multiples, Benchmark the comparable companies, Determine the valuation [11], [16].

Researchers base on five steps and data collection from variety of in formation of Bloombergs, statista and some official websites to calculate and demonstrate to give conclusions. The study was conducted by using an objective secondary data including some past works and information from Bloomberg, Facebook's website to collect and analyse data. The report also contained

a comprehensive procedures and key indexes to calculate main financial indicators such as P/E (price per earnings), Equity per share, EBITDA (earning before interest and tax and degradable assets), Earnings per share (EPS), to assess target firms and answer important questions how we can predict exactly about assets of the deals. Primary data published in the government's reports and secondary data on websites, public reports which relates to the topic would be analysed for the study. Some official websites were exploited for the information and data to analyse some previous successful deals which have similar conditions. Monographs published by various think tanks were examined as the basis of analysis. Secondary sources include books, articles, unpublished research papers and other relevant materials. Internet sources were also helpful in obtaining information on the topic. For these reasons, the study was based on facts and observations.

3. Literature review

[14], [15], [16] research about Strategy, Valuation, Leveraged Buyouts, and Financing, 2nd ed addresses the various due diligence concepts in M&A by using realistic examples, real-life case studies, user-friendly models of valuation, leverage buyout (LBO) models and models for deal performance analysis. These books and papers fill the gap in contemporary finance wherein it focuses on theory along with practical usage and application in M&A. They advised to use the comparable multiple method to calculate

most of mergers and acquisition deals when being lack of primary information. There are five steps:

Step 1: Selection of comparable companies. It depends on the judicious judgment of evaluator, intuition, and its challenging when comparable are unidentifiable for the target firm. It should be at least five firms are selected, which have similar assets, similar business, and financial characteristics, similar operating and business risk. It should be filtered out the best-fit comparable companies or closest comparable as multiples used for valuation.

Step 2: Identifying required financial information. The data for calculating their ratios are taken from secondary sources like companies's annual reports, audited financial statements, company's filing with the stock exchange, equity research reports, and equity trading platforms like Factbook, Bloombergs,...

Step 3: Determine key financial statistics, ratios, and multiples. The data collated and variety of different financial parameters, ratios is calculated from the balance sheet and income statement. They are growth, operation margins, returns, credit strength and leverage impact, future expected growth rates, sales, profits, EBITDA, net income

Step 4: Benchmark the comparable companies, evaluating the target firm thanks to M&A deals comparison in the same industry and form the customers' side.

Step 5: Determine the valuation of target firms, it is comandary to determine the financial metrics of the target firm. Firstly, using EBITDA multiple to value the target firm, calculate EV in the range of valuation by the year. Secondly, using EPS and other factors to infer to the target firm. Especially, mergers and acquisition were mentioned in very details for the deal Facebook acquired Instagram, however, they just discussed the result of that deal. They did not explained about the method comparable multiple to value that successful deal for Instagram.

[2], [8], [9] primarily mentioned that in 2018 the value of Instagram increased 100 times in comparision with the first deal in 2012. Moreover, they showed some reasons why Facebook acquired Instagram properly, but how to calculate that deal in \$1 billion was still a big question for everyone and we will calculate in this article.

4. Results and discussion

4.1. Finance Due Diligent

After assessing the legal requirements for adjusting M&A in the United States vary depending on whether the transaction is a friendly merger or a hostile transaction. In each of these categories, the rules vary depending on whether the transactions are cash or securities funded. The research gives some brief about Facebook and Instagram in acquisition time:

TABLE 1: A different main features between Facebook and Instagram

Milestones	Facebook	Instagram
Established time	2004	2010
Number of staff	1	13
Revenue (\$ billion)	5,089	0
Competitor	Google +, Twitter, Snapchat	Google +, Twitter, Facebook
Estimated valuation (\$ billion)	100	1
Active users (million)	850	30
Function	All-in-one social application	Photo-sharing
Platform	Android, iOS	iOS

Source: [7], [9], [18]

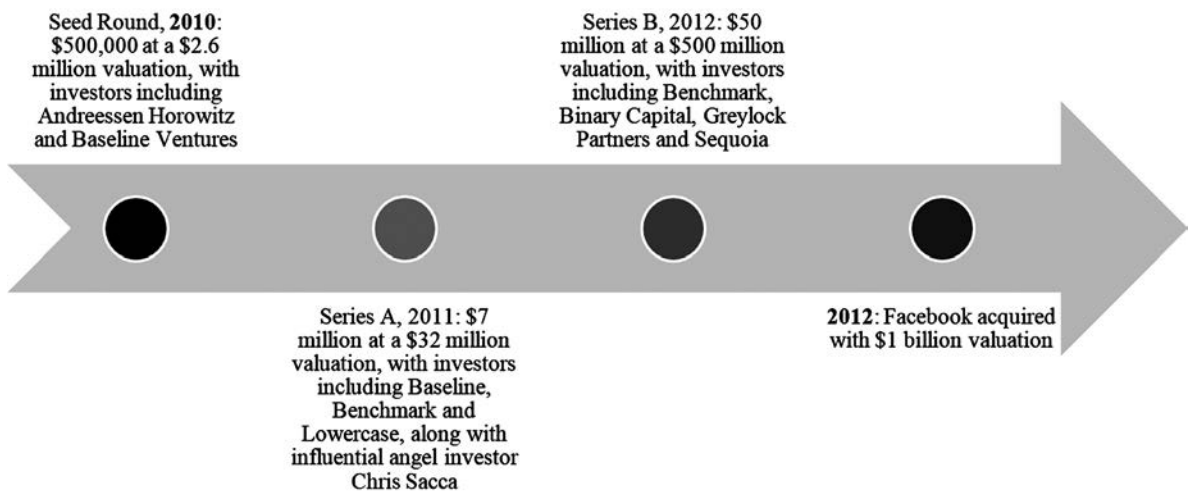


Diagram 1: Timeline about M&A progress of Instagram from 2010 to 2012

Source: [8], [9], [10]

Step 1. Facebook evaluated Instagram’s valuation

In time of M&A, Instagram had no revenue and not listed on stock exchange. Therefore, we can only evaluate Instagram’s valuation thanks to fundamental value or enterprise value based on debt or equity. Some analysis below will show some basis points in Facebook’s calculation:

Firstly, Facebook evaluated Instagram thanks to assume value of active users:

TABLE 2: Facebook evaluated Instagram in 2010

Indicators	Facebook	Instagram
Number of active users	850 million	30 million
Price/ active user (\$)	100	30
Enterprise Value (\$ billion)	85	0.9
Facebook offered (\$ billion)		1
Additional information	Other popular social apps are valued around \$20 to \$50 per user. The monetization models need to work out about the same to justify the valuations.	

Source: [18]

The value of a company is different for different potential acquirers. If Facebook can monetize its users in a way that justifies \$100/user, then paying \$30 per user for an acquisition is a great deal. For other potential acquirers maybe not. It depends on their monetization model, and what they plan to do with the acquisition in the future.

The number one thing people do on Facebook is sharing photos. Photos are

going mobile in a big way. Instagram is the clear leader in mobile photos. Instagram added one million users in the first day of availability on Android. Facebook needs a growth engine to show investors after they go public. Instagram is that growth engine, and it is worth much more than \$1 billion to Facebook and its investors. Secondly, Facebook evaluated Instagram thanks to M&A deals comparison in the same industry:

TABLE 3: M&A deals comparison in the same industry

Acquirer	Target	Time	Deal Value (\$ billion)	Target's users (million)	Price/ user (\$)
Facebook	Instagram	2012	1	30	≈30
Yahoo	GeoCities	1999	3.57	4.3	830
Skype	eBay	2005	2.6	10.8	240
Google	YouTube	2006	1.65	33.6	49
Yahoo	Broadcast.com	1999	5.7	0.57	10.000

Source: [5], [9], [16]

Mark Zuckerberg made waves for acquiring Instagram for \$1 billion. Facebook acquired Instagram for about \$30 per user, or \$1 billion. ($\$30/\text{user} \times 33\text{million users} = \1 billion) in 2012. Facebook was valued at about \$100 per user or \$80 billion ($\$100/\text{user} \times 800\text{ million users} = \80 billion) in 2017. In 2014 Citigroup says that it has reexamined its valuation of Instagram and now believes that it is worth \$35 billion. In 2012, Instagram had 30 million users. In 2017, the app boasts 800 million monthly active users and is growing at a pace of 653,595 users every day. In 2018, Instagram now has more than 1 billion users and could reach more than 2 billion users in the next five years, according to Bloomberg's research.

Instagram was actually costing the company considerably final deal \$750 million in 2012. Facebook has already shelled out \$521 million to \$300 million in cash and the remainder in Class B common stock, which has ten times the voting power of Class A shares but can't be publicly traded. The company also issued approximately 11 million invested Class B shares to Instagram stockholders, which are expected to be worth a total of \$194 million as they invested over the next three years from 2010. Instagram consists of \$86 million in net assets and \$435 million in goodwill, or other, intangible assets. Hence, when paying \$715.3 million, Facebook was paying over \$194 million. With

nearly 11 million invested Class B shares to Instagram stockholders is expected to be worth a total of \$194 million as they invested over the next three years. With an estimated value of \$102 billion, Instagram is worth 5x as much as Snapchat and 6x as much as Twitter. However, its parent company dwarfs all other social platforms. As of December 11th, Facebook has a \$523 billion market cap, making Facebook worth roughly 27x as much as Snapchat and 33x as much as Twitter.

Step 2: Identifying required financial information

Comparing those numbers to the Instagram acquisition, it appears that Facebook may have got a bargain. Facebook evaluated Instagram thanks to the multiple comparable method. At the same time, Instagram was acquired by Facebook, Instagram have not had revenue and have not listed on stock exchange. Hence, we have some assumption to calculate M&A's valuation as database which is given below:

TABLE 4: The condition of Instagram Inc in 2012

Asset (in millions)	500.0	EPS (last quarter)	1.44/share
Debt (in millions)	57.5	EPS (since established)	1.08/share
Sales (in millions)	900	Book Value	15/share
EBITDA	60	Debt/ Equity	0.15

Number of shares: 30 million

Source: [13], [14]

The predictable indicators are assumed by calculator debt: \$ 57.5 million = total amount of money which investors invest in Instagram until 2012, sales: \$ 900 million = based on assuming Instagram earns \$ 3/ users (\$ 900 million for total of 30 million users), number of shares: 30 million (based on assuming of 30 million users) and EBITDA, EPS, Book Value, Deb/ Equity are assumed. From this the research will take 5 deals to calculate and compare valuation by the multiple comparable method.

Step 3: Determine key financial statistics

After understanding the condition of the target firm - Instagram with some

main information such as: Assets, Debt, Sales, EPS, Book value, Dept/Equity and EBITDA. This way in order to know about financial aspects of a company Facebook wanted to acquire. These figures are usually collected from balance sheets on public. The acquired company should select five firms with detailed deals and announcements. Then, buyer companies can make some comparisons by multiple database of them. Finally, we can apply some formulas to infer for future value, that is the basic background to give comments.

TABLE 5: Multiple Database from multiple calculation

Number of Deals	Target Company	Offer Price per Share by Acquirer as a Multiple of		Total Business Value as a Multiple of	
		EPS	Book Value	Sales	EBITDA
Deal 1	Index Corp	5.72x	0.40x	0.10x	1.88x
Deal 2	Dango Co Ltd	19.31x	2.38x	1.21x	12.83x
Deal 3	Digital Adventure Inc	88.28x	3.43x	1.83x	70.93x
Deal 4	Neos Corp	12.03x	3.48x	1.53x	8.77x
Deal 5	Digital Adventure Inc	5.79x	0.80x	0.48x	4.33x
Average Multiple		26.23x	2.10x	1.03x	19.75x

Source: [14], [15], [16], [17], and Authors'own calculation

Step 4: Benchmark the comparable companies

After comparing among five representative deals as a result the average multiple will be calculated. This number can become a base to infer for other deals and target firms which have similar conditions. From that value according to P/E multiple will be easily figured out. Therefore, basing on four calculations, we can conclude that the target company can be valued somewhere between \$28.3 (lowest price per share) and \$37.6 per share as per the transaction multiples. This is the range of value that the acquiring company can negotiate upon. Facebook offered Instagram \$30/ per share. This offer is suitable with calculation.

TABLE 6: Value according to P/E multiple

Price/earnings multiples		
Instagram's EPS (last quarter)		1.4
Average EPS multiple		26.2
Equity value per share	EPS of Instagram × P/E multiple	37.8
Instagram's EPS since establishment		1.1
Average EPS multiple		26.2
Equity value per share	EPS of Instagram × P/E multiple	28.3

i. Value of target Instagram as per price/book value multiple

Price/book value multiples		
Instagram's book value (BV)		15
Average price/ book value multiple		2.1
Equity value per share	Book value of Instagram × P/BV multiple	31.5

ii. Value of Instagram as per firm value/sales multiple

Firm value (FV)/ sales multiple		
Instagram's sales		900.0
Average FV/ sales multiple		1.0
Firm value		927.0
Debt value		57.5
Equity value		869.5
Equity value per share		29.0

iii. Value of Instagram as per firm value/ EBITDA multiple

Instagram's EBITDA	60.0
Average FV/ EBITDA multiple	19.7
Firm value	1,184.9
Debt value	57.5
Equity value	1,127.4
Equity value per share	37.6

Source: [14], [15], [16], [17], and Authors'own calculation

With number of shares of Instagram assume that 30 million shares with users. We assumed and calculated Instagram including Debt: \$ 57.5 million = total amount of money which investors put their money in Instagram until 2012, Sales: \$ 900 million = based on assuming Instagram earns \$ 3/ users (\$ 900 million for total of 30 million users).

Number of shares: 30 million (based on assuming of 30 million users) and EBITDA equal \$60 million, EPS from \$1.08 to \$1.44 per share, Book Value \$15 per share, Debt/ Equity are assumed 0.15.

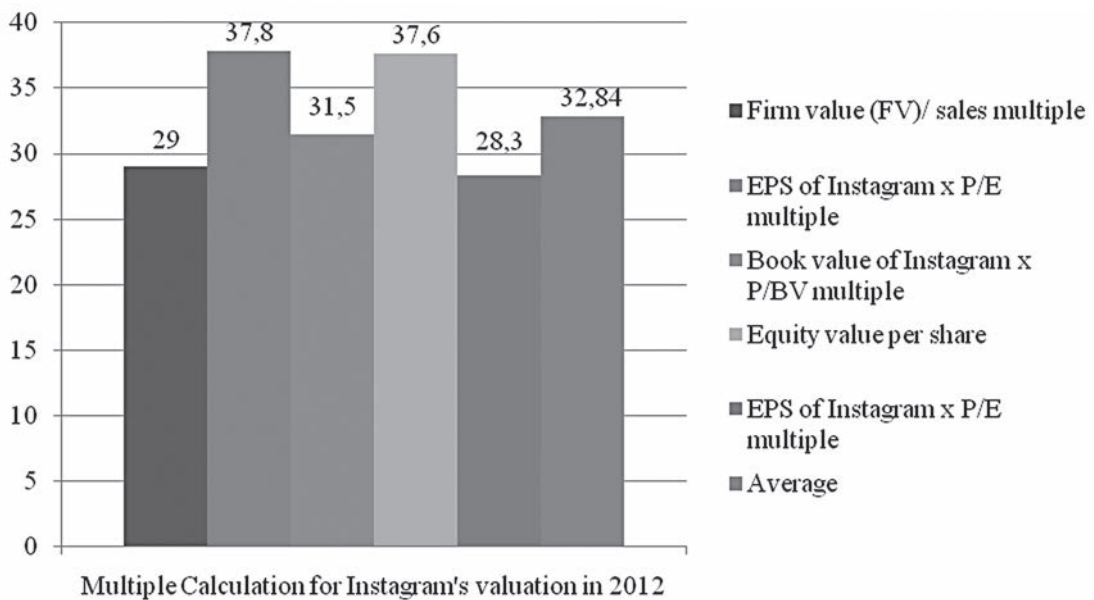


Diagram 2: Multiple calculation for Instagram's valuation in 2012

Source: [14], [15], [16], [17], and Authors'own calculation

The average valuation when calculating for Instagram in 2012 was \$32.84 per share, while firm value (FV) per sales multiple was \$29 per share, EPS × P/E was \$37.6, Book value xP/BV multiple was \$31.5 USD, Equity value per share with \$28.3.

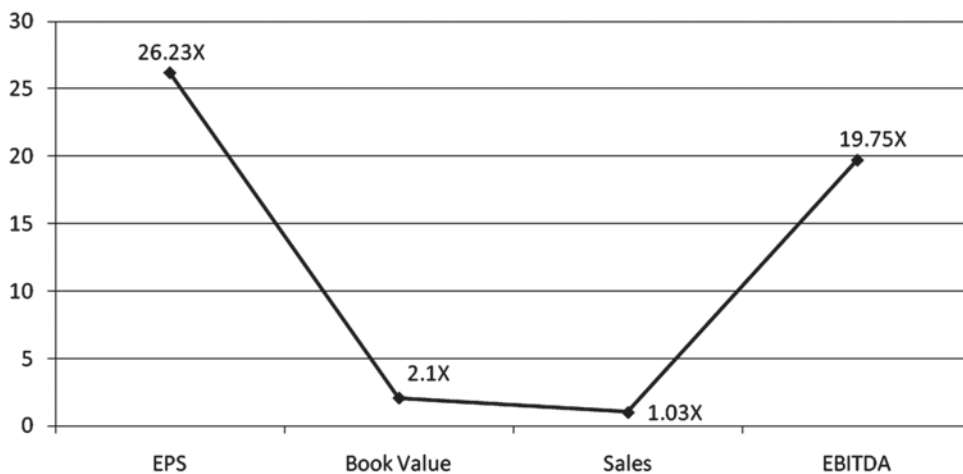


Diagram 3: Average Multiple with 5 deals using for Instagram valuation, 2012

Source: [14], [15], [16], [17], and Authors'own calculation

When considering Facebook on Bloomberg, we can see Facebook was more and more developed after merging Instagram by absorption. It means Instagram still remained its name.

Step 5: Determine the valuation of the target firm

Facebook Inc. acquired Instagram Inc. for approximately \$715.3 million. The transaction was announced on April 9th 2012 and completed on September 6th 2012. Facebook agreed to purchase the fast-growing mobile application before its initial public stock offering. Instagram is the largest acquisition by Facebook, and by far one of the largest internet content deals since completion date.

TABLE 7: Briefing about M&A deal between Facebook & Instagram

Content	Facebook & Instagram (M&A)
Announcement	09 - Apr - 2012
Completion	06 - Sep - 2012
Duration (days)	150
Acquisition Premium	---
Nature of Bid	Friendly
Percent Owned/ Sought	0.00%/ 100.00%
Payment Type	Cash & Stock
Cash Term (\$ million)	300
Stock Term (# share in million)	22.9994
Transaction Value (Announced) (\$ million)	1,000
Transaction Value (Final) (\$ million)	715.3
Deal Attributes	Private Equity, Company Take-over
Approved	Federal Trade Commission Office of Fair Trading (FTC)
Adviser (Acquirer)	Fenwick & West LLP
Adviser (Target)	Orrick Herrington & Sutcliffe LLP

Source: [8], [9], [10]

The decline of traditional TV and the growth of social media have given rise to influencer marketing, now one of the fastest growing categories in advertising and projected to be a \$5-10 billion market by 2020. Instagram is one of the most quickly developing segments of the growing influencer marketing market. But lack of transparency and reported metrics with regards to advertiser spend mean that there's no official tally on the size of the Instagram influencer market. So to estimate the size of that market, we created a projection based on our research.

To estimate how much money advertisers spend on influencer marketing on Instagram,

we tracked the number of sponsored Instagram posts over a year. At present, we estimate the advertiser spend with influencers on Instagram at over \$1 billion per year, with indications of significant annual growth.

4.2. Assessment of Facebook’s situation after acquiring Instagram

Instagram after M&A announced that they had 25 million business accounts exist on the platform in 2017, popularity and given brands confidence, a platform worth advertising on, organically boost brand awareness, the premier social media platforms to implement sponsored advertising campaigns with influencers.

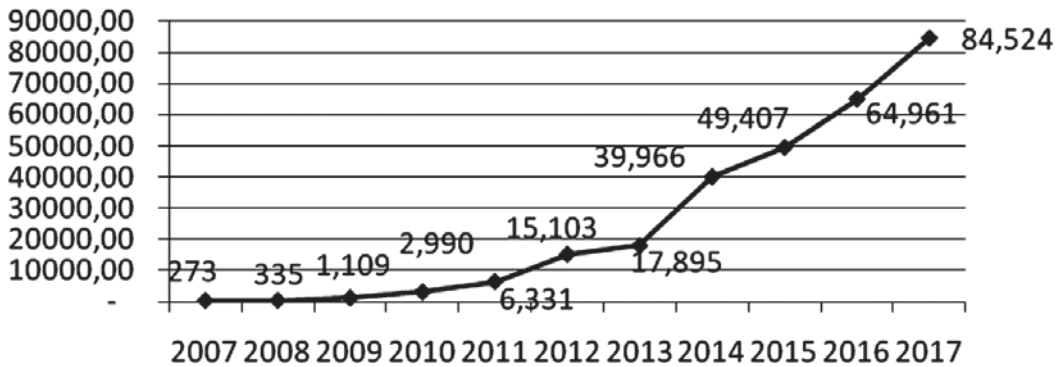


Diagram 4: Total Liabilities and Equity of Facebook (Million USD)

Source: [18]

Total Liabilities and Equity of Facebook is increasingly after Facebook acquired Instagram since 2012. It was \$6,331 million in 2011 and \$15,103 billion in 2012, in 2017 it was \$84,524 billion.

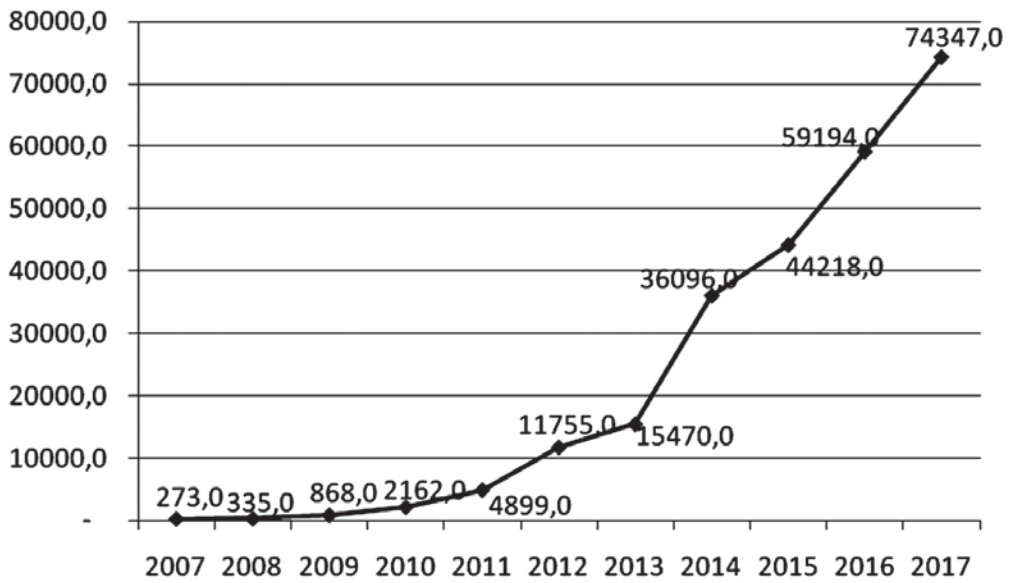


Diagram 5: Facebook's Total Equity (million USD)

Source: [18]

The trend of Facebook's total equity was growing after Instagram belongs to Facebook from 2012, \$11,755 million, in 2017 it was \$74,347 US million.

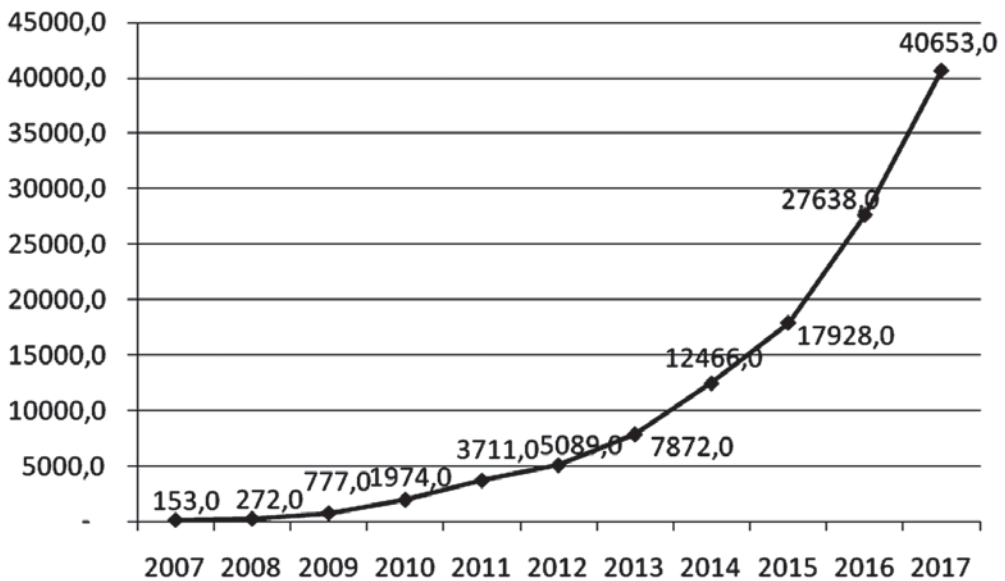


Diagram 6: Facebook's Revenue (million USD)

Source: [18]

Facebook’s Revenue was more and more increasing from 2007 to 2017, especially after Instagram was merged into Facebook, from 2012. Since Facebook acquired it in 2012, Instagram has experienced a hundredfold increase in value, added nearly 800 million

users, and transformed from an app for posting photos to a full-fledged social media community and advertising channel in 2017.

The main market of Facebook belongs to US and Canada with 49.07% in 2017, Europe with 24.3% They are almost high income.

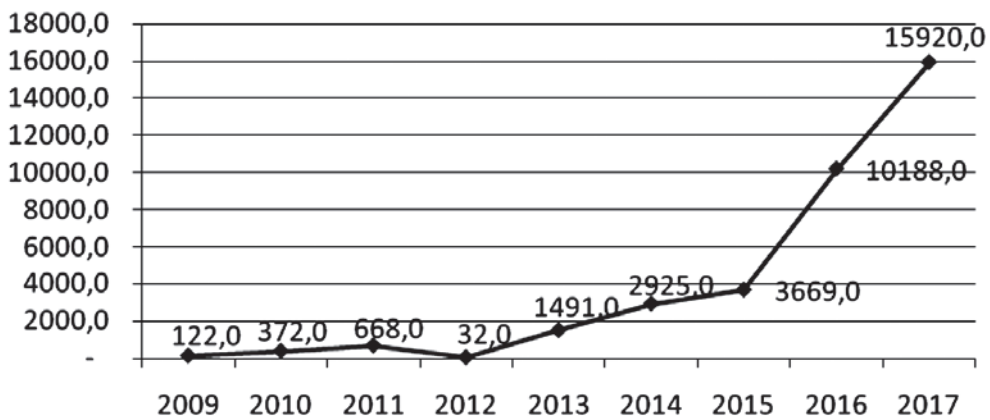


Diagram 7: Net Income of Facebook (million USD)

Source: [18]

Net income of Facebook increased 4 times after Facebook acquired Instagram in 2013, in 2017 was about \$15,920 million. One of reasons that led to this success of Facebook was in the past 5 years, Instagram has added a plethora of features including video posts, direct messaging, Stories, live video, multi-image posts, and polls. New features have brought new opportunities for users to interact with friends, influencers, and brands.

Arguably, no Instagram update has matched the success of Instagram Stories. In just shy of one and a half years, the feature has

amassed a whopping 300 million daily users. As Instagram Stories succeeds, competing social media apps are suffering. In the past six months, influencers decreased their usage of Snapchat Stories by 33% while using Instagram Stories 2X more. These metrics are a clear indicator of Instagram’s dominance in the social media industry.

Facebook’s total debt was declining into zero from 2013 after acquiring Instagram one year, that meant the efficiency of management skills and operating skill of Facebook was very excellent in controlling the debt of this company.

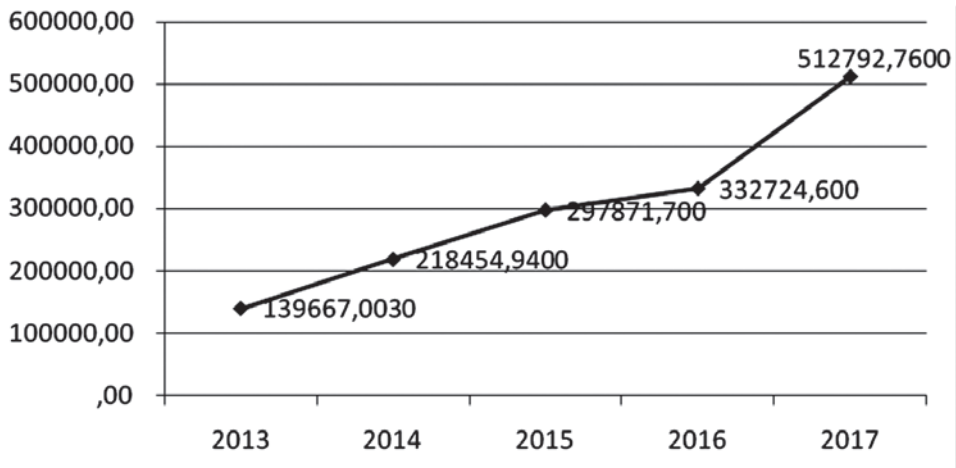


Diagram 8: Facebook’s Total Capital (million USD)

Source: [18]

Total capital of Facebook was more and more increasing significantly from \$139,667 million in 2013 and in 2017 it was 3.6 times more with valuation \$512,792 million.

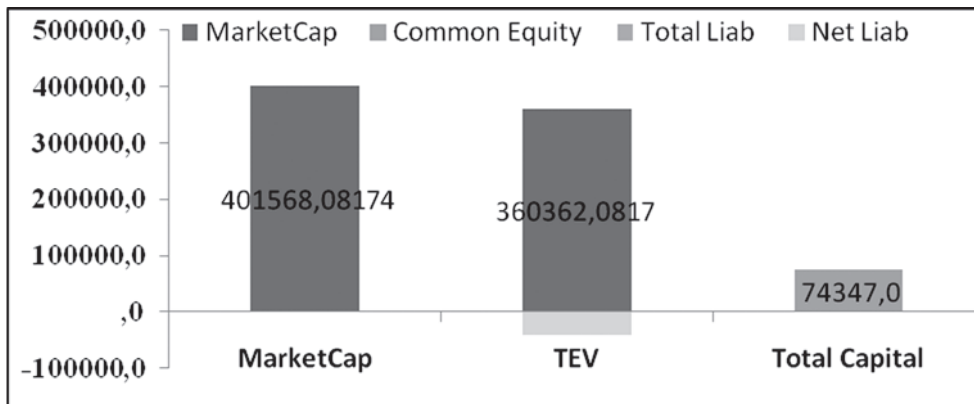


Diagram 9: Facebook’s indicators in 2017 (million USD)

Source: [18]

Facebook gains more and more benefit from advertisement by users’ increasing, especially attracting businesses and enterprises’ investment through Instagram’s innovation. The way Instagram made “brand-friendly” format makes marketing with Instagram Stories particularly effective, especially for companies that have spent years

building their social media followings. Nike’s first Instagram Story, for example, generated nearly 1 million views, thanks in large part to brand’s preexisting audience (AdAge).

Furthermore, while Instagram Stories doesn’t (yet) offer features that make Snapchat so engaging—interactive lenses, for example, or Geofilters (both of which can

be created and used by brands)—Instagram's searchable content means branded and/or brand sponsored Instagram Stories are much more visible than Snapchat content.

5. Conclusions

One thing is eminently clear: the Instagram influencer market is immense. There is a billion dollars influencer marketing industry that exists within just one of the world's most popular social media networks. Instagram giving rise to a billion dollar a year industry shows the explosive growth of the influencer marketing industry taking place on social media apps, networks, and platforms. As long as Instagram remains a discoverable place for influencers to effectively and easily create and share engaging content, the Instagram influencer market will continue to grow and evolve. And knowing the value of the Instagram influencer market is a key part of finding the pulse of the market as a whole.

Facebook Inc acquired Instagram Inc for approximately \$715.30 million. The transaction was announced on April 4th 2012 and completed on December 6th 2012. Facebook agreed to purchase the fast-growing mobile application before its initial public stock offering. Instagram is the largest acquisition by Facebook, and by far one of the largest internet content deals since completion date. This price was less than the value we calculated by multiple comparable with the beginning Instagram's revenue was zero in 2012 just valuation of intangible asset with 30 million users with \$3 per each user and totally Instagram's valuation was nearly 1 billion US dollars [3], [6]. Final deal was

\$715.3 million. That was a right and successful decision to buy Instagram of Facebook.

Instagram has become a prominent platform for social media marketing and with \$1 billion spent on Instagram influencers in 2017, Instagram will continue to be a huge player in the influencer marketing industry for years to come. That will be very successful for Facebook when buying Instagram. Instagram's enormous worth is a testament to its popularity and gives brands confidence that it's a platform worth advertising on. In November, Instagram announced that 25 million business accounts exist on the platform, which shows that brands are using the platform both for paid influencer campaigns and to organically boost brand awareness. For marketers, Instagram is one of the premier social media platforms to implement sponsored advertising campaigns with influencers. They are some special ways to attract new users coming, especially infant industry enterprises, they want to pay money to open accounts with Instagram with so interesting stories.

In 2019, Vietnam has more than 95% of enterprises, which are medium and small one, and there are a lot of mergers and acquisitions deals, however, some methods for calculating assets valuation are not really exact and enough strong to become efficient bases to acquire other companies. Especially, Vietnamese enterprises with very strong brands sold their assets and made financial diligence without using comparable multiple methods. That can lead to unsuccessful deals for them. Some strong famous companies do not know how to acquire other firm with suitable and right price

because a lot of criterias and indicators are not disclosed. Even though that announced numbers can be on public, actually they are totally different. Thus, that's why comparable multiple method can be optimal solutions to infer the value of target firms much easily and efficiently when missing important and exact information about target firms.

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THẨM ĐỊNH GIÁ TRỊ TÀI CHÍNH TRƯỚC CÁC THƯƠNG VỤ MUA LẠI VÀ SÁP NHẬP THÀNH CÔNG BẰNG PHƯƠNG PHÁP SO SÁNH ĐA CẤP ĐỘ: TRƯỜNG HỢP FACEBOOK MUA LẠI INSTAGRAM

Nguyễn Thị Thu Hương, Nguyễn Huy Oanh

Trường Đại học Hùng Vương, Phú Thọ

TÓM TẮT

Sáp nhập và mua lại các doanh nghiệp không còn là hiện tượng mới nhưng vẫn rất phức tạp ở nhiều quốc gia, đặc biệt ở Việt Nam. Tuy nhiên, điều quan trọng nhất trong việc giải thể và mua lại là việc đánh giá đối tượng được mua lại một cách hợp lý khi chưa đủ thông tin và dữ liệu, và đây luôn là câu hỏi khó cho các nhà đầu tư. Thông thường có năm phương pháp để tính toán giá trị tài sản trong thương vụ đó gồm: chiết khấu dòng tiền, giá trị thị trường, vốn hóa từ thị trường, giá trị kinh tế, bảng cân đối kết quả kinh doanh. Bài nghiên cứu này sẽ sử dụng phương pháp giá trị thị trường để đánh giá sự thành công của thương vụ Facebook mua lại Instagram nhằm minh họa cho việc nhà đầu tư đánh giá giá trị tài sản của đối tượng mua lại ra sao khi họ chưa đủ thông tin. Bài viết chú trọng đến năm bước trong thẩm định và đánh giá tài chính của Facebook mua lại Instagram. Bài viết cũng phân tích chi tiết cách tính toán và đánh giá thông qua quy trình các bước của việc mua lại và sáp nhập một cách thành công.

Từ khóa: *Facebook, Instagram, M&A, mua lại, sáp nhập.*