M&A DEAL
OF THE WEEK

Adobe's agreement to
acquire Semrush

Adobe X **SEMRUSH**

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Adobe's agreement to acquire Semrush: Executive Summary

Summary

On Tuesday the 18th of November, Adobe announced its plan to acquire Semrush in an all cash transaction for $12 per share, resulting in a fully diluted stock valuation of over $1.9 billion for Semrush and a premium of roughly 77% over the previous closing. With Semrush's Debt/Equity ratio at 56.54%, the transaction maintains an enterprise value that closely aligns with its equity value. In order to improve the understanding of user intent, content value, and marketing performance, Adobe intends to integrate Semrush's search data, brand visibility tools, and keyword datasets into Adobe Experience Cloud and Adobe Analytics. Adobe gains access to a larger data source for its AI marketing tools thanks to Semrush's services for businesses in sponsored search and social media. Semrush benefits from increased access to business clients, quicker distribution, and scalability. Following regulatory approval, both companies anticipate closing in the first half of 2026.

- In November 2025, Adobe agreed to acquire Semrush for $1.9 billion in an all cash transaction at $12 per share. The price reflects Adobe's interest in strengthening brand analytics, search data and AI visibility capabilities. Adobe plans to integrate Semrush into Adobe Firefly, Adobe Analytics and Adobe Experience Cloud.
- Adobe is leading customer experience orchestration in the agentic AI era through solutions that support the content supply chain, customer engagement and brand visibility. Key products include Adobe Experience Manager, Adobe Analytics and Adobe Brand Concierge.
- Together, Adobe and Semrush will give marketers a clearer understanding of how their brands appear across owned channels, large language models, traditional search and the wider web.
- Semrush holds one of the largest keyword databases and provides site audits, social media marketing tools and research intelligence, supporting AI powered workflows and improving performance marketing.
- Marketers use Semrush to measure brand growth across social media and search engines, and usage has increased significantly, with a 33% rise in annual recurring revenue, showing strong demand for its data.
- Adobe views the acquisition as an opportunity to expand AI content generation tools and enhance insights into user intent, content value and brand reach.
- Adobe expects cross-selling opportunities as many existing clients want unified data across content, search and advertising. This will allow Adobe to strengthen its position in the marketing software industry.
- The deal still requires regulatory clearance, and both firms expect to confirm the transaction by early 2026.

Key Figures

Adobe (ADBE)	Semrush (SEMR)
Deal Value: $1.9B	Premium: 77%
Enterprise Value: $145.64B	Enterprise Value: $1.15B
EV/EBITDA: 15.23x	EV/EBITDA: 264.05x
P/E Ratio: 21.59x	P/E Ratio: n/a
Market Cap: $144.94B	Market Cap: $1.77B
CEO: Shantanu Narayen	CEO: Oleg Shchegolev
Employees: 30,709	Employees: 1,600
Debt/Equity: 56.54%	Debt/Equity: 4.67%

Company Information

Adobe

Adobe is a global computer software company that operates in multiple offices across regions ranging from North America and Europe to the Asia-Pacific, the Middle East, and Latin America, helping consumers in more than 190 countries worldwide. Adobe's core focus relates to the design, development, and distribution of software technology and consumer experience data analytics, regulated via a subscription service that corresponds to a SaaS revenue model.

- Adobe has created a dominant investment portfolio with an established value of $4.5 billion. This was used to expand its focused area of research and development during the 2024 financial year. This created a stream of income that generated 17-18% of its revenue annually. This was made possible through continuous innovations in AI-integrated technologies, solutions, and cloud computing capabilities.
- Overall, Adobe reported a marginal forecast revenue figure of $19.9 billion for 2024, representing a positive increase of $2.3 billion from the previous fiscal year of 2023, which stood at $17.6 billion. This indicated significant potential to increase funding for internal expansion.
- Growth was possible due to increased investment in areas such as Creative Cloud, Acrobat, and Experience Cloud Enterprise Solutions. This left extra capital available to be reinvested in these departments to improve their overall efficiency.
- Under the current CEO, Shantanu Narayen, Adobe employs 30,709 people worldwide across diverse departments such as media, marketing, engineering, AI innovation, technology solutions, and finance.
- Adobe's market capitalisation has surged from the late 2010s from $18 billion to $144.94 billion, showing an annual growth rate of approximately 705%. This growth has been supported by acquisitions such as Marketo ($4.75 billion), Magento ($1.68 billion), and Figma, which is under offer for $20 billion.

Semrush

Semrush has established itself as a strong global presence, providing online marketing intelligence software to multiple consumer groups in over 180 countries. Semrush handles SERP data for major corporations such as Google and Bing, as well as other large search platforms.

- Semrush has implemented a cooperative approach to adapt to SaaS-based subscription services. This oversees various aspects of digital tracking technologies, including SEO data, monitoring keyword usage, search histories, and managing competitor analytics and current consumer insights.
- Semrush has allocated a budget of over $100 million yearly to innovate in research and development, as well as data indexing. This ensures that its platforms remain up to date with the newest digital changes, and it allows the company to test new technologies to incorporate into its systems, such as AI and data determining tools.
- The current CEO of Semrush is Bill Wagner. The main headquarters is located in Boston, in the U.S., and the company has several operational offices established in Europe. The company has an employee base of over 1,500 employees in diverse departments, including technology, engineering, data analytics, and media marketing.
- Semrush has increased its users to 100,000 who use paid subscription-based services and 80,000 who have signed up for accounts, thereby creating a positive reputation for itself as a dominant entity in the industry for SEO intelligence and data analytics.
- Today, Semrush is responsible for monitoring over 25 billion keywords and over 43 trillion backlinks, alongside major competitor databases, establishing itself as a dominant digital platform for real-time, reliable results, marketing innovation strategies, and network links for expansion.

Deal Rationale and Risk

Rationale - Strategic Positioning in the AI and Marketing Software Market

Strengthening Adobe's AI-driven brand visibility and marketing capabilities

This deal aligns closely with Adobe's long-term growth strategy by enhancing its leadership in the autonomous AI era. Semrush's expertise in search engine optimisation (SEO), generative engine optimisation (GEO) and AI-driven brand visibility complements Adobe's existing Digital Experience solutions, including Adobe Experience Manager, Adobe Analytics and Adobe Brand Concierge. Semrush's platform allows Adobe to deliver a holistic view of brand presence across owned channels, large language models (LLMs), traditional search and the wider web. By integrating Semrush's data and tools into Adobe Experience Cloud, Adobe can offer marketers a more comprehensive AI-powered workflow for content, engagement and performance marketing.With Semrush's established enterprise client base, including Amazon, J.P. Morgan Chase and TikTok, Adobe gains immediate access to new markets and expands its footprint in AI-driven marketing intelligence. Therefore, this acquisition is designed to drive long-term value for both Adobe and its customers.

Supports Strategic Growth and Revenue Expansion

The acquisition strengthens Adobe's ability to monetise AI marketing tools and expand cross-selling opportunities across its existing client base. Semrush's recent 33% YoY growth in annual recurring revenue demonstrates strong demand for its data and solutions, providing Adobe with a proven growth engine. By combining Adobe's AI and content orchestration capabilities with Semrush's SEO and GEO expertise, the company can capitalise on the rising importance of generative AI in consumer decision making, potentially generating significant incremental revenue from new and existing clients over the next five to ten years.

Risk

Regulatory Approval

The deal remains subject to customary regulatory reviews and shareholder approval, which could delay the closing timeline. Regulators may scrutinise the acquisition for potential competition concerns, particularly around Adobe's market share in AI-driven marketing software and brand analytics. Any required conditions, concessions, or divestitures could impact the planned integration of Semrush's solutions into Adobe's platforms and temporarily disrupt existing business operations. In addition, international regulatory bodies may have differing approval requirements, potentially complicating global rollout and delaying access to certain markets.

Cultural and Operational Integration

Semrush's specialised knowledge and agile, entrepreneurial culture may face challenges when integrated into a large enterprise like Adobe. Differences in decision-making processes, corporate hierarchy and speed of innovation could lead to friction, slowing the adoption of Semrush's tools within Adobe's ecosystem. Key talent may leave if they perceive the culture clash as limiting their creative freedom, which could undermine the value of Semrush's expertise. Ensuring seamless integration will require careful coordination across multiple departments, extensive change management initiatives and preservation of Semrush's innovative culture to maintain product quality and client satisfaction.

Competition and Market Dynamics

Generative AI and marketing software are rapidly evolving markets, with competitors investing heavily in AI-driven analytics and brand visibility solutions. The rise of new AI platforms, evolving large language model technologies, and shifting customer expectations could impact adoption rates of Adobe-Semrush solutions. Failure to continuously innovate or integrate Semrush effectively may allow competitors to capture market share. Additionally, as clients increasingly demand real-time, AI-driven insights across multiple channels, Adobe must ensure its combined offering remains scalable, responsive and aligned with customer needs to preserve its competitive advantage.

Industry Analysis

This merger will have a transformative impact on the digital experience and marketing technology sector. Adobe is making significant investments in the rapidly evolving field of search and artificial intelligence. This purchase indicates a strategic move by Adobe to improve their data-driven content strategies and competitive analytics.

The Digital Marketing Intelligence Market

The market for digital marketing software has grown steadily over the past ten years. The Covid pandemic accelerated digital transformation, resulting in significant investment in the digital marketing software market, which is projected to grow to $181 billion by 2030. Furthermore, the specific market for generative AI in marketing is expected to increase substantially, reaching approximately $109 billion by 2030. A major aspect of this industry is the pivot from traditional SEO to Generative Engine Optimisation (GEO), which focuses on maximising the visibility of digital content for generative AI engines. Research shows that 50% of consumers already use AI-powered search, and by 2028, an estimated $750 billion in US revenue will be driven by these AI platforms. Adobe's acquisition of Semrush aims to help brands optimise AI visibility in this growing market.

Key Trends

The acquisition of search focused and analytics driven firms is now a common strategy for major software companies seeking long term growth. Semrush adds strong data and search intelligence capabilities, showing how artificial intelligence supported discovery can outperform traditional search methods. Although integration may bring short term costs, the deal has clear long term revenue potential.

By adding Semrush to its Experience Cloud and Firefly systems, Adobe strengthens its artificial intelligence marketing pipeline and expands its content and analytics capability. Generative engine optimisation is still early in development and faces challenges in standard practice and fast changing search behaviour, while competition from HubSpot, Google, and emerging platforms remains a significant factor.

Trends and Insights

The $1.9 billion acquisition of Semrush shows strong confidence in artificial intelligence search optimisation and growing demand for scalable marketing and search intelligence platforms. While integration may bring short term challenges, the deal offers significant long term potential as generative engine optimisation and artificial intelligence search practices expand across enterprises.

By adding the search intelligence dataset of Semrush, Adobe strengthens its position in advanced digital experience technology and accelerates artificial intelligence driven marketing across its existing systems. Through this purchase, Adobe secures a leading role in next generation search visibility and marketing intelligence, reflecting a broader trend in which artificial intelligence innovation combines with large scale enterprise platforms to shape the future of digital discovery and performance marketing.

Final Thoughts

On the 18th of November 2025, Adobe announced plans to acquire Semrush in a $1.9 billion all cash transaction, valuing the company at $12 per share. The deal expands Adobe's presence in AI driven marketing and brand visibility, granting access to Semrush's SEO, generative engine optimisation and large keyword datasets. It supports Adobe's long term strategy to strengthen its AI and digital experience capabilities and is expected to enhance cross selling opportunities across its existing client base. However, the acquisition exposes Adobe to regulatory, integration and competitive risks linked to Semrush's specialised platforms and agile culture. Overall, the move highlights Adobe's strategic commitment to AI powered marketing solutions as a key driver of future growth.

Aryan Basnet
Adobe takes a clear step toward stronger marketing data. The deal gives Adobe direct access to search signals that support your content tools and your AI systems. Semrush gains scale, stronger reach, and faster product support. The price signals strong belief in search data as users shift toward AI driven search flows. I view the deal perfect for both sides. Adobe gains the data depth needed to push growth in Experience Cloud, and Semrush joins a firm with global reach and strong engineering teams. The deal strengthens Adobe's position in performance marketing and supports stable revenue growth.

Rohan Harjai
Adobe's acquisition of Semrush establishes a great opportunity that enhances Adobe's software to further motivate working marketing intelligence. The incorporation of Semrush's software systems into Adobe's AI technology designs a new efficient program that makes work more effective, increases output, and tracks real-time consumer analytics. I believe, this deal elevates a new approach to thinking ahead, which can be a USP and design new links in the digital marketing sector.

Thomas Robbins
This merger represents a strategic pivot from traditional SEO to GEO, ensuring brands remain discoverable in the evolving AI and intelligence-driven market. Semrush's AI marketing tools and keyword datasets provide Adobe with an opportunity to strengthen their position within the marketing software industry and enhance user experience through adding content value and brand reach. Simultaneously, Semrush will benefit from Adobe's significant client base, providing them with the opportunity to expand their global market reach and accelerate their long-term growth.

Piotr Ambrozewski
The acquisition of Semrush strengthens Adobe's AI and marketing capabilities by adding advanced SEO and generative engine optimisation tools to its existing platforms. Semrush's strong client base and proven growth provide Adobe with new market opportunities, enhancing its position in AI driven brand visibility. While regulatory, integration and competitive risks remain, the deal is executed to create long term value and reinforce Adobe's leadership in digital experience and marketing intelligence.
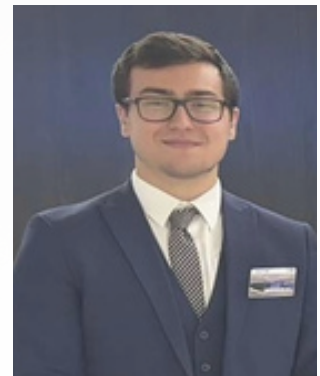
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