

003

Pitching

Resources

Part 1: How to write the perfect pitch deck - a slide-by-slide guide

Introduction

Your pitch or slide deck is the first communication tool in your fund raising journey and plays an essential role in an investor's evaluation of you and your business.

If an investor is not sufficiently interested after seeing it, you'll have real difficulty getting a meeting with them; and even more difficulty getting them to invest!

At Angel Investment Network we look at and evaluate pitch decks every day. We talk to investors about what they look for in a good deck and which slides interest them most.

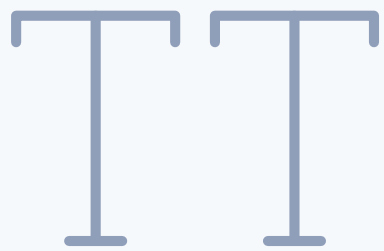
As a result, we know what makes a good one and what makes a bad one. So I thought I would bring that knowledge together and give you slide-by-slide advice on writing a winning deck.

Check out my advice for each of your 11 slides below.



Section 1: (Slides 1 - 3) What does your business do?

These first few slides are of paramount importance in introducing the story of your company. You should not simply be explaining what your company does but weaving a thread that articulates the value of your company in emotional as well as commercial terms.



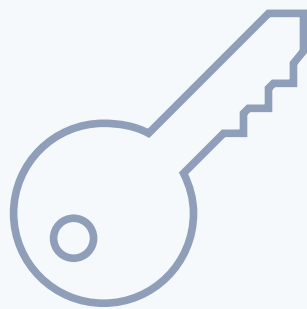
01. Title

This should be no more than the name of your company and your logo set onto a nicely branded background. Some people like to include a quotation or snippet explaining in brief what their company does; but we think it's better for you to keep this slide minimal and clear. The rest of the slides are going to be devoted to talking about your company. This slide is simply to give investors a good first impression. So make sure the branding is memorable!



02. Problem

What problem do you solve? Explain in simple terms the pain you are removing, how the world needs improvement. Avoid statistics at this stage; keep your explanation concise and human.

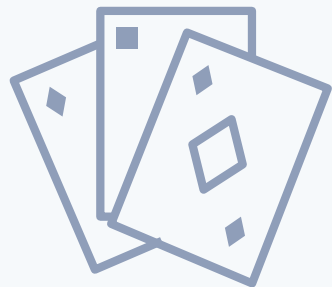


03. Solution

How are you making people's lives easier/better? Describe how you are making the world a better place and removing that pain from people's lives. Again, this needs to be succinct and understandable so that you get the investors nodding and emotionally buying into your idea. Don't overcomplicate your explanation. Entrepreneurs are often so involved with their business that they are unable to stand back and give a clear, objective explanation of what it is. Don't make this mistake.

Section 2: (Slides 4-7) How does your business work?

These middle few slides deal with the functional nitty-gritty of your company. You may feel as though these details might detract from the storytelling tone. And you may be right. However, while investors are as susceptible as the rest of us to the pull of emotional stimuli, they will still want to know the facts that prove the story.



04. Magic

Describe what makes your idea unique; what's its X factor? Use your imagination here. It's your product/service so you should know best how to demonstrate the wow factor. High quality visuals will help underline the point you make and illustrate your competence and professionalism. Customer testimonials are also an excellent way of getting the product off the paper and personalising it for the investors.



05. Business Model

You've shown that you have an idea, now show how it will work. The investors want to know how you are going to monetise your product. You are not going to sweep them away entirely with your story. This slide needs to clearly set out who pays you, what your distribution channels are and your gross margins. This will provide an opportunity to name drop any organisations you have struck deals with.



06. Marketing & Sales

Similarly, the investors will want to know that you have a framework in place for reaching your target market and that it is cost effective. For this you will want to set out a road map of how you plan to implement your strategy. Key figures like your cost of acquisition and customer life time value will show that you've done your research.

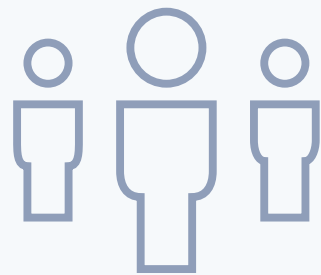


07. Competition

Every company, no matter how niche, has competition. In this slide you want to set out a view of your complete competitive landscape. You want to differentiate yourself from the competition, but you should do this by explaining why you are good not by denigrating your competitors. Infographic frameworks are a good way of putting across a picture of the competitor landscape.

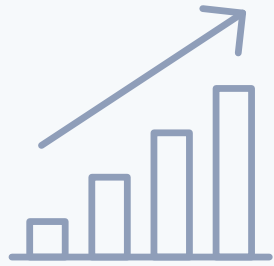
Section 3: (Slides 8-11) Why does it work?

You want to end your pitch by hammering home why your business works and will work. This should provide an emphatic climax to the deck, leaving investors in no doubt about the value (actual and potential) of your business.



08. Team

Your team not your product truly makes your business. Your product will likely go through numerous iterations; what will make that process successful is the team. As such investors want to see market experience and expertise right across the board. Put simply, if you had to bet on which of two half-decent businesses would succeed, the single most decisive factor would be which of the two had a rockstar team including people who had already been involved and achieved exits with successful businesses. **Success breeds success.**



09. Projections

Provide a 3-5 year graph of your financial projections and your user growth predictions. Be sure to include metrics on conversion rate and cost of acquisition. Your predictions ought to be founded plausibly on your growth since launch. **Wild optimism will impress no one.**



10. Traction/Proof

In an ideal pitch this is what you have been building towards. **This is the coup de grace with which you seal the investors' interest.** As the climax of your story you want to give hard evidence that your product is the real deal; proof that it is the exact fit for its market.

- Valid proof can be anything from social media signups, paying subscribers, high margins, user growth, sales; anything that testifies to the incremental popularity of your business.
- Some people like to start their deck with the traction slide in order to have an emphatic opening; this can work, but closing with a bang will leave a positive impression on the investors.



11. Ask

- If they remember nothing else from the deck but your great traction mentioned at the end, you have placed yourself in a good position.
- This slide is all too often forgotten. You have waxed lyrical on the magic of your product, the problem it solves, how well it has been received and how it will change the world, but when it comes to the point of the pitch you become bashful about demanding money.
- The investors are there expecting to be asked for money, so don't merely insinuate that you would quite like it; tell them in no uncertain terms the amount you require, the uses it will be put to and the share they can expect in return. Be clear and forthright about what you need and why you need it, and you will earn their respect.
- **You need to ask to receive.**

“Always leave them wanting more.”



Walt Disney,
Founder Disney



Business is often show business. In your pitch you must refrain from trying to include every piece of information about your company. Your goal is to pique interest; and the best way to do this is to put across your strongest points clearly, concisely and powerfully but leave some questions unanswered. It is a truism of great rhetoric that you should **“always leave them wanting more”**. That way, they will be all the more eager to approach you and satisfy their curiosity; and in so doing give you the opportunity to develop a closer relationship with them.

The more complex details can be covered in an executive summary or business plan which you can offer upon request.

First and foremost, investors want to understand the barebones of your company: what it is, how it works and why it works. If they are satisfied and intrigued by this, they will contact you for more details.



In summary, every good pitch should put across the same message: there is a huge market opportunity, we have a product/service that fits this opportunity, here is some proof of our excellent product, this is the brilliant team realising this concept, our ideas are working but we need money for X, Y and Z.



And one more thing...

"Tis a lesson you should heed:
Try, try, try again.
If at first you don't succeed,
Try, try, try again."



W.E. Hickson,
Author of 'Time and Faith'



Remember...

Seeking funding and pitching to investors is a time-consuming, arduous and often disheartening process. But the rewards are worth it. You will be rejected a number of times and your idea and pitch will be subjected to sometimes harsh criticism, but as long as you keep updating and improving, you will increase your chances of success.

This is basic ratio thinking; the law of averages dictates that the more times you try something, the greater the chances of success.

There you have it, mathematical validation of Ben Franklin's statement...



“Energy and persistence
conquer all things”



Benjamin Franklin,
Founding father of USA



A blue-tinted photograph of a baseball game. In the foreground, a batter (Babe Ruth) is in a batting stance, looking up and to the right, holding a bat. Behind him, a catcher is crouched, and an umpire stands to the left, watching the play. The background shows a baseball field with grass and dirt.

“Never let the fear of striking
out get in your way”

Babe Ruth
MLB, New York Yankees

Join the world's largest angel investment network, where global angel investors meet the great businesses of tomorrow.