

# How to DELIVER a COMPELLING Business Pitch

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# Why is pitching so important

- CEOs only have three jobs:
  - Create/maintain the vision of the company
  - Hire a strong team of employees and advisors
  - Fund the company properly and consistently
- Pitching helps you get funding, but also helps you with all 3
- There are many millions of dollars of funds available (non dilutive) to startups based mostly on pitching.

# Your presentation

- IS

- A reflection of your story
- A knowledge JOURNEY
- A quest that you invite your audience to participate in
- A chance to respect your audience and make an ASK

- IS NOT

- A chance to show off your smarts
- A chance to test your audience's knowledge
- A commentary or editorial

# The **quest** for opportunity

- People are attracted to quests. They can become quite committed, even obsessive about them. A quest is a journey with a goal.



# The “hook” in your presentation

- Is a phrase or a statement that gives people a reason to:
  - Listen to you at all
  - Stay with you until the end
  - Engage in the quest with you, at least for a little while!
  - Gives purpose to your talk and to their listening!

# Scale-ability

- Your business pitch should be scaleable to fit different time frames for delivery. From one minute (elevator pitch) to 15 minutes
- Your presentation should be flexible
  - Different presentation formats
  - Different set of presenters

# Business Pitch Session Structure

- You have 20 minutes in total to allocate
  - 8-10 Minute Presentation
  - 10 Minute Q&A with Advisory Board
- Q&A from Advisory Board and Faculty
  - Advisory Board is a very diverse group
    - Energy Entrepreneurs
    - Angels/Venture Capitalists
    - Utilities
    - Technologists
    - Consultants
  - Anticipate questions from each of these perspectives

# Business Pitch Proposed Outline

- I. Problem and Solution
- II. Quantified Value Proposition
- III. Business Opportunity/Model
- IV. Competitive Advantage
- V. Challenges/Risks
- VI. Next Steps



# Problem and Solution

- 2 minutes max
- Introduction: start with a 30 second summary of your business
- Discuss the problem
- Best told via a story/case study/role play
- Why is this a problem?
- How do you intend to solve this need? MVP description.
- Why is your solution better than current alternatives?

# Extrapolation

- Extrapolate the problem into a worldwide case
  - Being stuck in traffic costs the world .5% of GDP and wastes billions of dollars every year in lost productivity
  - Traffic delays result in xxx tons of CO<sub>2</sub> emitted into the air and yyy tons of SO<sub>2</sub> being emitted
- Extrapolate the solution as well
  - If every driver spent 20 minutes less on the road every day.....

# Quantified Value Proposition

- 2 minutes max
- Can start with instead of Problem/Solution
- Why is a customer hiring you?
- Do from customer perspective not yours
- Address value prop for only 1-2 beachhead customers
- Highlight insights from your market research/customer development
- Techno economic model

# Business Opportunity/Model

- 2 minutes max
- Opportunity size? Market sizing and segmentation
- Key trends impacting your market?
- Growth rate of target?
- Revenue Sources/business model
- Cost Drivers & Structure
- Investment
- Need to commit to a primary business model

# Competitive Advantage

- 1-2 minutes
- Why are you the better choice?
  - What attributes are you focusing on for the comparison?
- Who are your key competitors and how do you compare to them?
- What moats have you built around your business?
- Highlight prospective customer interviews here.

# Challenges/Risks

- 1-2 minutes
- Highlight no more than 2-3
- Dependencies
  - Technology
  - Collaborators/Partners
- Execution/People

# Next Steps

- 1 minute
- Can include “ask” here
- What would you do if you were to continue beyond class?
- Action plan for the next 3-6 months?

# Common Pitfalls

- Do not read your slides-interpret them
- Slides are too busy
- Lots of hesitation/mumbling/awkward pauses
- Too many slides (1-2 minutes per)
- No passion/not compelling
- Come across desperate/not confident
- Complicate things-SIMPLIFY
- Do not understand audience
  - Try to discover the nature of audience before your presentation
  - Not everyone is a potential investor, but many are potential collaborators
- Try to answer all potential questions in presentation
  - Leave some for the Q/A and have backup slides



**MAKE SURE TO PRACTICE!!!**

**Problem and Solution** were clearly explained-15%

1    2    3    4    5    6    7    Comments:

**Value Proposition** would appeal to target customer-15%

1    2    3    4    5    6    7    Comments:

**Business Opportunity and Model** made sense and would get market traction-10%

1    2    3    4    5    6    7    Comments:

**Competitive Advantage** would be sustainable in market-10%

1    2    3    4    5    6    7    Comments:

**Challenges/Risks** are clearly defined, understood, and addressed-10%

1    2    3    4    5    6    7    Comments:

The overall presentation was compelling and left you wanting to learn more and/or interested in investing-

1    2    3    4    5    6    7    Comments:

Should the team continue working on this business?      Yes    No

Advice/Final Thoughts:

# Positioning Statement

- The X that does Y for Z is a useful formula for focusing.
  - X: what it is; should be sufficiently narrowing and focused
  - Y: The main function it solves
  - Z: The unifying customer/user statement
- Examples:
  - Farmville is the social game that makes it possible to plant/grow/share simulated farms for Facebook casual gamers
  - GreenLight is...
  - MyPower is....

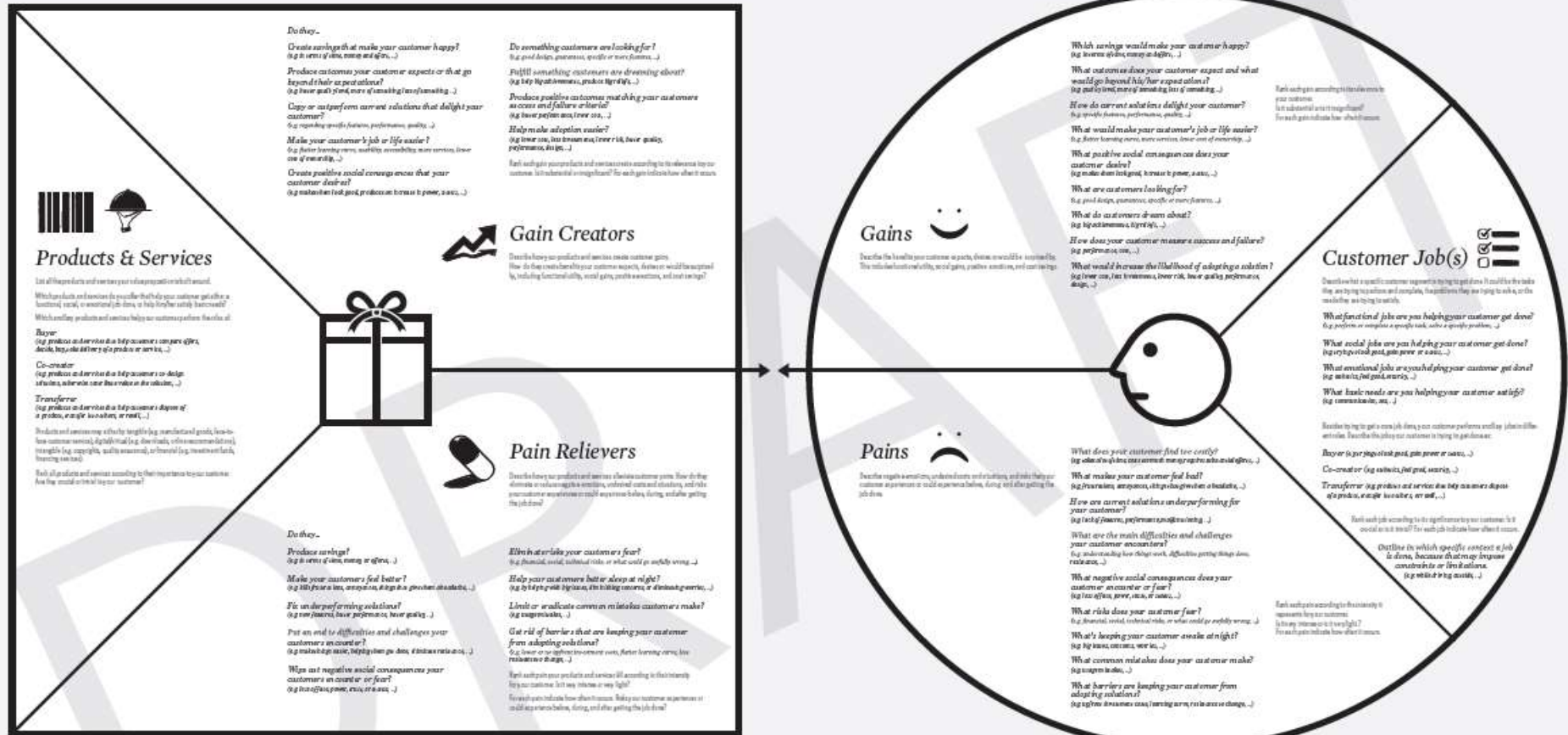
# The Value Proposition Designer

Designed for:

Designed by:

On:  Day:  Month:  Year:

Iteration:



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Use in Conjunction with the Business Model Canvas

Q&A