

# 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....

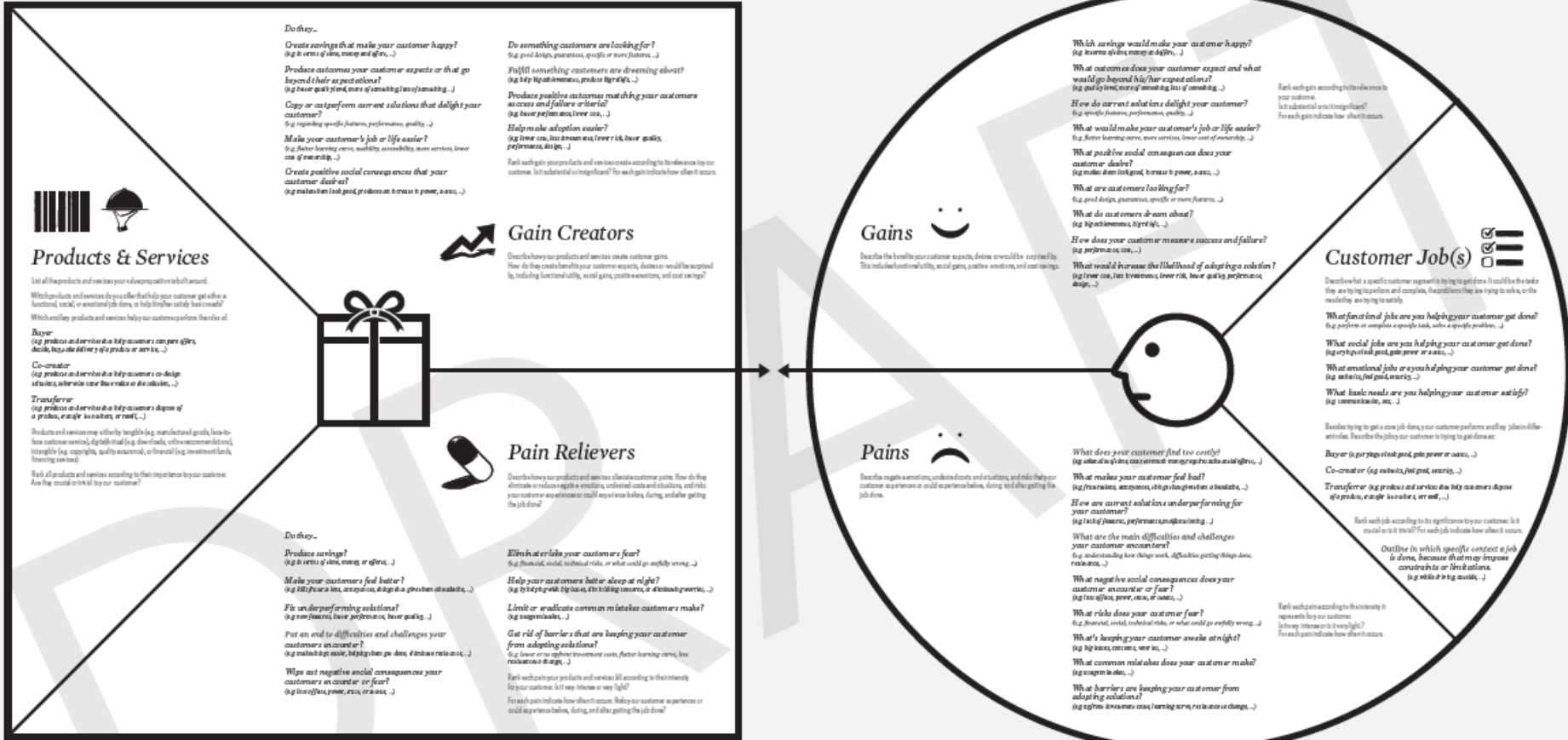
# The Value Proposition Designer

Designed for:

Designed by:

On:  Day  Month  Year

Iteration:  No.



## Products & Services

List all products and services your company will sell around.

Which products and services do you offer that your customer gets either a functional, social, or emotional job done, or help him/her satisfy business goals?

Which ancillary products and services help your customer perform these jobs?

**Buyer**  
(eg. product or service that helps customer compare offers, decide, buy, or use delivery of product or service...)

**Co-creator**  
(eg. product or service that helps customer co-design solutions, where user has a role in the solution...)

**Transferor**  
(eg. product or service that helps customer dispose of a problem, enable knowledge, or reuse...)

Products and services may vary slightly (eg. manufactured goods, franchise customer service), digital/digital (eg. download, software, mobile apps), intangible (eg. copyright, quality assurance, or financial) (eg. investment funds, financing services).

Rank all products and services according to their importance to your customer. Are they critical or vital to your customer?

**Do they...**

Produce savings?  
(eg. in terms of time, money or effort...)

Make your customer's job or life easier?  
(eg. faster learning curve, usability, availability, more services, lower cost of ownership...)

Fix underperforming solutions?  
(eg. low quality, low performance, lower quality...)

Put an end to difficulties and challenges your customer encounters?  
(eg. making it easier, helping him go down, it makes relationships...)

Wipe out negative social consequences your customer encounters or fears?  
(eg. low quality, power, status, or access...)

## Gain Creators

Describe how your products and services create customer gains. How do they create benefits to your customer aspects, desires or would be accepted by, including functional utility, social gains, positive emotions, and cost savings?

## Pain Relievers

Describe how your products and services always eliminate customer pains. How do they eliminate or reduce negative emotions, emotional costs and obstacles, and reduce your customer's experience or could experience before, during, and after getting the job done?

**Eliminates risks your customer fears?**  
(eg. financial, social, individual risks, or what could go awfully wrong...)

**Helps your customer better sleep at night?**  
(eg. by helping with physical, emotional, or financial worries...)

**Limits or eradicates concerns in markets customers make?**  
(eg. suggestions...)

**Get rid of barriers that are keeping your customer from adopting solutions?**  
(eg. lower or no upfront investment costs, faster learning curve, low requirements to adopt...)

Rank each pain according to its intensity by your customer. List key intensity or key light?

For each pain indicate how often it occurs. Rank by customer experience or could experience before, during, and after getting the job done?

## Gains

Describe the benefits your customer expects, desires or would be accepted by. This includes functional utility, social gains, positive emotions, and cost savings.

## Pains

Describe negative emotions, emotional costs and obstacles, and risks that your customer experiences or could experience before, during, and after getting the job done.

**Which savings would make your customer happy?**  
(eg. lower quality, money or effort...)

**What outcomes does your customer expect and what would go beyond his/her expected actions?**  
(eg. quality, ease of use, time of use, etc...)

**How do current solutions delight your customer?**  
(eg. quality features, performance, quality...)

**What would make your customer's job or life easier?**  
(eg. faster learning curve, more services, lower cost of ownership...)

**What positive social consequences does your customer desire?**  
(eg. make him look good, increase his power, status...)

**What are customer's longings for?**  
(eg. good design, performance, specific or more features...)

**What do customers dream about?**  
(eg. high performance, luxury...)

**How does your customer measure success and failure?**  
(eg. performance, cost...)

**What would increase the likelihood of adopting a solution?**  
(eg. lower cost, less investment, lower risk, lower quality performance, design...)

**What does your customer find too costly?**  
(eg. time, effort, investment, or what could go awfully wrong...)

**What makes your customer feel bad?**  
(eg. frustration, uncertainty, or going through a headache...)

**How are current solutions underperforming for your customer?**  
(eg. lack of features, performance, usability...)

**What are the main difficulties and challenges your customer encounters?**  
(eg. understanding how things work, difficulties getting things done, resources...)

**What negative social consequences does your customer encounter or fear?**  
(eg. low status, power, status, or access...)

**What risks does your customer fear?**  
(eg. financial, social, individual risks, or what could go awfully wrong...)

**What's keeping your customer awake at night?**  
(eg. high taxes, concerns, worries...)

**What customer relations does your customer make?**  
(eg. negative relations...)

**What barriers are keeping your customer from adopting solutions?**  
(eg. higher investment costs, learning curve, risk to lower or change...)

## Customer Job(s)

Describe what a specific customer segment is trying to get done. It could be the jobs they are trying to perform and complete, the problems they are trying to solve, or the activities they are trying to satisfy.

**What functional jobs are you helping your customer get done?**  
(eg. perform or complete a specific task, solve a specific problem...)

**What social jobs are you helping your customer get done?**  
(eg. improve his/her social power or status...)

**What emotional jobs are you helping your customer get done?**  
(eg. reduce his/her pain, anxiety...)

**What basic needs are you helping your customer satisfy?**  
(eg. transportation, etc...)

Rank each job according to its significance to your customer. Is it critical or vital?

For each job indicate how often it occurs.

**Rank each job according to its significance to your customer. Is it critical or vital?**

**Outline in which specific context a job is done, because that may improve consistency or fit in solution.**  
(eg. while driving, while...)

Rank each pain according to its intensity by your customer. List key intensity or key light?

For each pain indicate how often it occurs.

## Value Proposition

Create one for each Customer Segment in your Business Model.

## Customer Segment

Q&A