

Helpful Pointers for You and Your Business/Idea

There are no “overnight” successes.

Everyone who has succeeded has a story about how they achieved it.

Research what others before you have done. How they did it. Why they did it. Their history is your friend.

Common success traits: coachability, passion; tenacity; traction (users and/or revenue); great *Go To Market* stories.

Also look into failures. There are lots of lessons waiting for you.

Better to discover root causes of failure third hand than in person.

Common failure traits: good idea, bad execution; bad idea, period; spent too fast; spent not fast enough or not wisely; underestimated competition; underutilized investors and advisors; destructive co-founder & team dynamics.

Top three things that create interest to invest: You, Idea, Market

Top three things that convert interest into commitment: You, Go To Market, “Grasp”

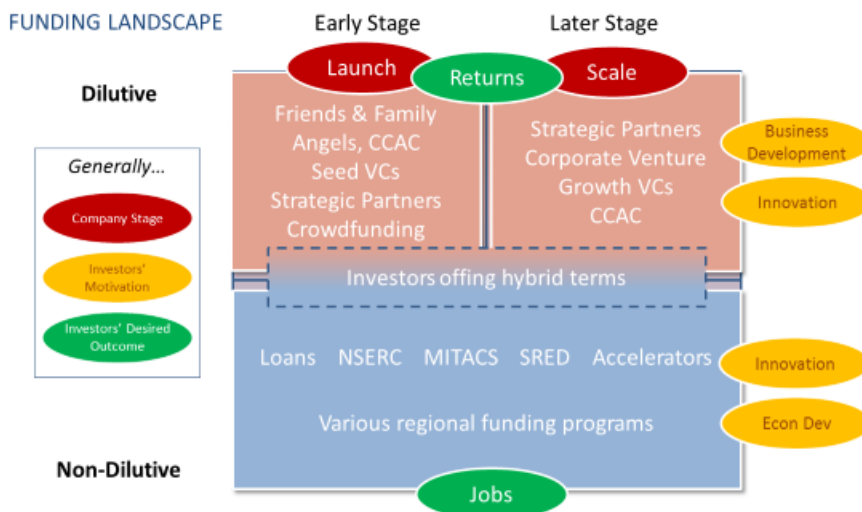
(Grasp: (1) Your awareness of reality; (2) Investor’s understanding of your story)

Should you seek investment? Not by default.

If you can build a business from cash flow, do it!

If investment can accelerate and/or elevate your business, consider it.

Funding Landscape



There are many more non-dilutive programs. Check with your local resource centre.

To learn about Canadian Angel Community: www.nacocanada.com

Use The Artful Science of Pitching™ to build your pitch story.

The Artful Science of Pitching™

Pitching for investment for a start-up is more art than science.

Founders have to deliver a compelling story with: limited history & progress, projections in place of proofs, and with many gaps in strategies & plans.

Deciding to invest in a start-up is more science than art.

Investors have many choices. Whether they evaluate opportunities with formal criteria or by gut, they are making conscious comparisons & decisions.

The Artful Science of Pitching™ is a proven approach for developing investable pitches. It gives Founders a flexible framework for delivering the key information that Investors need to confirm their interest to learn more.

It starts with a simple observation: Most investments are the result of process – a series of meetings starting with the initial pitch, followed by one or more due diligence and negotiation meetings, culminating with a closing meeting.

Therefore, the first objective of the pitch is very simple: *a follow-up meeting*.

The second objective is to setup for a successful next meeting.

The framework is designed to capture the interest of the audience, give them a compelling reason to want to learn more (i.e. want a follow-up meeting), and then act on it (i.e., approach the Founder to schedule the follow-up meeting).

Get Interest	1 – Introduction 2 – Elevator Pitch 3 – Problem/Opportunity 4 – Problem/Opp Market Size 5 – Solution 6 – Why Now	Provide background information to capture interest
	Sell	7 – Go To Market (GTM)
Close or Lose	8 – Competition / Differentiation 9 – Revenue Model 10 – Projections 11 – Team 12 – Financing to Date / Ask / Use of Proceeds 13 – Summary	Round out your GTM plans with the rest of the story; here, you will either <i>close</i> the next meeting or lose their interest

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Have you used Business Model Canvas or Lean Canvas?
Here's how you use your content in The Artful Science of Pitching

Business Model Canvas	The Artful Science of Pitching™	Lean Canvas
Model your business	Tell a story	Model your business
<p><i>"The Business Model Canvas, is a strategic management and entrepreneurial tool. It allows you to describe, design, challenge, invent, and pivot your business model."</i> – Strategyzer</p> <p><i>(How to describe, design, discuss, challenge, innovate, invent, pivot, choose your Business Model."</i> – businessmodelgeneration.com</p>	<p><i>A proven approach for developing investable pitches.</i></p> <p><i>Gives Founders a flexible framework for delivering the key information that Investors need to confirm their interest to learn more.</i></p> <p><i>Investments are the result of process – a series of meetings starting with the initial pitch, followed by one or more due diligence and negotiation meetings, culminating with a closing meeting. Our objective, always, is to get the "the next meeting."</i></p>	<p><i>"My main objective with Lean Canvas was making it as actionable as possible while staying entrepreneur-focused. The metaphor I had in mind was that of a grounds-up tactical plan or blueprint that guided the entrepreneur as they navigated their way from ideation to building a successful startup."</i> - Ash Maurya, on why he adapted Business Model Canvas</p>
	<u>GETTING INTEREST</u>	
	1 Introduction	
	2 Elevator Pitch	
Value Propositions	3 Problem Solved or Opportunity Created	Value Proposition Problem
Customer Segments	4 Market Size	Customer Segments Problem
	5 Solution / Product	Solution
	6 Why Now	
Value Propositions Customer Relationships Customer Segments Key Partners Key Activities Channels	<u>SELLING (THE NEXT MEETING)</u> 7 Go To Market	Value Proposition Key Metrics Customer Segments Channels
	<u>CLOSING OR LOSING</u>	
	8 Competition / Differentiation	Unfair Advantage
Revenue Streams Cost Structure	9 Revenue Model	Revenue Streams Cost Structure
Revenue Streams Cost Structure	10 Projections	Revenue Streams Cost Structure Key Metrics
Key Resources	11 Team	
Key Resources	12 Financing to Date / Today's Ask / Use of Proceeds	
	13 Summary	



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* Key Partners 7 Go To Market † Problem 3 Problem Solved or Opportunity Created 4 Market Size	* Key Activities 7 Go To Market † Solution 3 Solution / Product	Value Proposition 3 Problem Solved or Opportunity Created 7 Go To Market	* Customer Relationships 7 Go To Market † Unfair Advantage 11 Competition / Differentiation	Customer Segments 4 Market Size 7 Go To Market
	* Key Resources 11 Team 12 Financing to Date, Ask, Use of Proceeds		† Key Metrics 7 Go To Market 10 Projections	
Cost Structure 9 Revenue Model 10 Projections			Revenue Streams 9 Revenue Model 10 Projections	

*Green is Business Model Canvas †Orange is Lean Canvas Black is Both
 Small text is where Canvas element is used in *The Artful Science of Pitching* framework

The importance of the Go To Market section is clearly seen above. As the place in your pitch where you are *selling the next meeting*, this is where you have to weave together the various parts of your canvas into a clear, cogent story about turning your idea into an investable business.

In your Go To Market you need to go to **VEGA\$™**:

Validation: *How, where, when <did you/ will you> prove that you have a great product idea that people will pay to use?*

Entry: *When, where, how <did you / will you> market your product first?*

Grow: *When, where, how <did you / will you> expand your business?*

Scale: *When, where, how do you plan to steepen your revenue curve? What do you need to ensure is in place before scaling?*

When: Target or actual timeline Where: Segment or geography or ... How: Direct or via channel partners or ...

Get Interest	1 – Introduction	Provide background information to capture interest
	2 – Elevator Pitch	
3 – Problem		
4 – Problem / Market Size		
5 – Solution		
6 – Why Now		
Sell	7 – Go To Market (GTM)	Convince investors that your idea is an investable business; you're selling "the next meeting"
Close or Lose	8 – Competition / Differentiation	Round out your GTM plans with the rest of the story; here, you will either <i>close</i> the next meeting or <i>lose</i> their interest
	9 – Revenue Model	
	10 – Projections	
	11 – Team	
	12 – Financing to Date / Ask / Use of Proceeds	
	13 – Summary	



Group vs. 1:1 Pitches – There are critical differences in pitch delivery & content:

- **Groups** usually give you a # of uninterrupted minutes to deliver your story, sometimes with Q&A
- **1:1s or small groups:** need to pique & confirm interest early; deliver key messages quickly & be ready for robust Q&A
- **NOTE:** Television pitches (e.g., Dragons’ Den, Shark Tank, etc.) are completely different and have different guidelines

Ten Step Pitch Process

1. **Layout** your high level story script using 1 or 2 sentences per topic (see the Pitch Worksheet)
2. **Test** the story with coaches/mentors – Compelling story? If they were investors, would they want to know more?
3. Get a **communications professional** involved (help develop concepts now & presentation/public speaking help later)
4. Once your high level story script is getting good reviews, **layout** your presentation pages
5. Ensure you **cover all the topics**; investors are expecting you to cover them; missing a topic is a bad signal
6. **Rearrange** the order to fit your comfort, style & business – make the story your story; test with coaches/mentors (Be aware that most investors who see a lot of pitches like standard flows; too much creativity is hard to follow)
7. As you near settling on content and flow, get a **graphics designer** involved
8. Once you see your pages in a designed format you’ll see new opportunities for improvement; **rearrange** again
9. **Practice, practice, practice**; tell the story as naturally as you can; it may be scripted, but it’s a story not a reading
10. After each real delivery, reflect on what worked, what didn’t and adjust (**deliver, reflect, adjust**)

Multiple Pitches

- Your Group Pitch is actually 2 pitches: your main story + pages you create for backup/Q&A
- Your 1:1 Pitch is very short designed to get “in-meeting” interest quickly; your back-up is your Group prep plus anything else you think you need based on what you know about your audience (they may have deep understanding of your space, so be prepared)

Number of Pages? Sentences vs Phrases vs Words?

- Like asking *how long is a piece of string?*
- Number of pages = what you need to tell your story within the time you’ve been given
- If presenting in a large venue assume screen size will be small – 28 point text size is good for key points
- Guidelines:
 - For Group Pitches, stay within the time you’re given
 - One person does the pitch; others can join for the Q&A but the person pitching answers and/or directs
 - Not too many build charts – becomes distracting; resist video and live demo
 - One page per row in the Pitch Framework is a good start; be selective about where you add more pages

Design & Delivery

- Too much content on a page = opportunities for audience to be distracted from what you’re saying
- Keep message simple; remember *your only objective is to get to the next meeting*
- Not a product pitch; audience needs to know enough to get it but not to operate it! (You are selling a piece of your company, not the product)
- Short phrases are better than sentences; selective graphics/pictures better than only words
- Graphics designer will know colours schemes to avoid
- As you design and deliver, keep in mind 3 kinds of alignment:
 - **Vertical:** the content on the page is easy to follow; you want to get and keep the audience’s attention
 - **Diagonal:** your verbal delivery & the content of the projected page are in sync; minimize confusion
 - **Horizontal:** your slides tell a “forward moving” story; cover a subject, then move on to the next; e.g., deal with problem then solution, not problem 1, solution 1, problem 2, solution 2, ...; too hard to follow (easy test: layout your complete deck end-to-end on a table or a wall; rehearse your delivery as you look at the flow from page to page; you will see things that you don’t pick-up when doing the slideshow)

Bottom Line

- An investment is the result of a series of “next meetings” ... it’s a process
- This Process, Framework and Worksheet is a guideline not a recipe



Layout of Group vs. 1:1 Pitches

GROUP PITCHES – e.g., to angel investors, pitch days, ...		1:1 PITCHES – e.g., to VCs, individual investors, ...	
1. Introduction (title page)	I am ... my company is ... the reason I'm pitching today is ...	1. Intro & Elevator Pitch	Combine 1&2 from Group Pitch; put the key phrases of your EP on the title page
2. Elevator Pitch	<Your 15 second elevator pitch>; your presentation page should show only key words of your EP; sets context		
3 Problem / Opportunity	The problem in the world we address is ... The opportunity we create is ...	2. Team	A quick and informative page on the co-founders (and advisors/board if notable)
4. Problem/Opp Market Size	This many people/organizations have this problem (and today are spending ... on it) or will be attracted to this opportunity		
5. Solution	Our solution addresses this problem by ...	3. Problem/Opp Solution, Competitiveness	What problem are you solving or opportunity you're creating and what's the product you have that they have to invest in?
6. Why Now	The reasons the time is right for us in the market (and right for you as investor) are ...		
7. Go To Market	Here's what we've done to <u>validate</u> the idea, how we will(have) <u>enter</u> (ed), how we will (have) <u>grow</u> (n), and how/where we plan to <u>scale</u> ...each part includes your target customer sets; how does the product change through these stages	4. Go To Market & Revenue Model	Here's what we've done to <u>validate</u> the idea, how we will(have) <u>enter</u> (ed), how we will (have) <u>grow</u> (n), and how/where we plan to <u>scale</u> (including customer sets & product roadmap) and Here's how we make money
8. Competition & Differentiation	When we're in the market we expect to face these competitors and our differentiation is ...		
9. Revenue Model	The way we make money is ...	5. Fin/Ask/UOF	Here's what we've raised to date, our ask today, and use of funds (needs to be clearly linked to Go To Market)
10. Projections	The money we'll make is ...		
11. Team	The team making all this happen is ...		
12. Fin/Ask/UOF	What we've raised to date ("Fin"), our ask today <including terms>, and use of funds ("UOF"); needs to clearly linked to Go To Market	Backup Pages (What else beyond your Group Pitch Deck and Backup do you need?)	Your prep for Group Pitches is your backup. Know it well and go to the slides as needed. VCs will want to know your assumptions in your projections; have a page tha shows these.
13. Summary	<This slide will probably be on the screen longer than any other>; quick repeat of 3 or 4 key points from the pitch (no new info) ...+ your contact info		
Backup Pages (List the backup pages you think you need)	Prepare a set of backup pages based on the questions you expect to be asked; script and rehearse answers to the key questions, especially the hard ones; avoid thinking and responding on the spot		

¹ The pitch experience to large groups is predictable and reliable. You will be given the time promised to deliver your story. Some events include moderated Q&A, and all events will include informal Q&A when you're mingling with the attendees. The above can be comfortably delivered with 13-16 pages in 12 minutes. Expand/contract your pitch as needed depending on the time you're being given.

² Small group/1:1 pitches are subject to the style and methods of the meeting host. Generally, getting into a meaningful discussion as soon as possible should be your goal. To do this, you need to capture their interest early by delivering key information quickly (hence a much shorter deck). In some cases, you'll be asked to deliver your standard pitch. If you choose to use your large group pitch, be prepared for interactive Q&A. The risk of using your standard pitch with interactive Q&A is that you will likely get questions about topics before you present them which may throw you off your cadence and sidetrack the build and delivery of your story.



GROUP PITCH WORKSHEET – e.g., to angel investors, pitch days	
Topic	Story Script (Your 1-2 sentences for each topic)
1. Introduction (title page)	
2. Elevator Pitch	
3. Problem / Opportunity	
4. Problem/Opp Market Size	
5. Solution	
6. Why Now	
7. Go To Market	
8. Competition & Differentiation	
9. Revenue Model	
10. Projections	
11. Team	
12. Fin/Ask/UOF	
13. Summary	
Backup Pages (List the backup pages you think you need)	



1:1 PITCH WORKSHEET – e.g., to VCs, individual investors, ...	
Topic	Story Script (Your 1-2 sentences for each topic)
1. Intro & EP	
2. Team	
3. Problem/Opp, Solution & Competitiveness	
4. Revenue Model & Go To Market	
5. Fin/Ask/UOF	
Backup Pages (What else beyond your Group Pitch Deck and Backup do you need?)	



How do I prepare to pitch my product to sales/partner prospects?

Ground Rules

- Start with a clean slate for your marketing/sales pitch deck
- Leverage some of what you have in your investor deck (e.g., value propositions)
- Design your marketing/sales pitch with your audience in mind
- Get professional design help

A-Z Checklist

- A – What are you leaving/sending after your visit/call? Is it fully **aligned** with what you said?
- B – Am I demonstrating that I understand their **business**?
- C – Have I established my **competitiveness** versus others?
- D – Have I identified the **decision maker** and does my pitch speak to him/her?
- E – Can I deliver this pitch with the right amount of **energy**?
- F – Do I understand the **future opportunity** here?
- G – What do I need to do to start with a small sale and **grow** the relationship?
- H – Am I being authentic and **honest** about what our product does?
- I – There is no I in team or we or you.
- J – How am I proposing to help them **justify** my product?
- K – Do I know their **key performance indicators** and how can I relate my product to them?
- L – Am I using this as an opportunity to **learn** how to improve the pitch?
- M – Is my offering **meaningful** to my prospect?
- N – Do I know the biggest **nemeses/objections/barriers** going into the pitch? Do I have great answers?
- O – If the visit/call turns into a big fat **zero**, do I know enough to keep trying or to move on?
- P – Is it clear how we will provide **post-sales support**?
- Q – If I **qualified** the prospect, did I use what I learned in this pitch?
- R – Have I made the point that the **relationship** is important to me/us?
- S – Do I **ask for the sale** in the pitch?
- T – Do I know if it's important for them to know the key **team** members?
- U – Have I demonstrated that I **understand** their problem or pain?
- V – Have I articulated a **value proposition** as clearly and in a compelling way?
- W – **When** is the next meeting? **What** is the next step?
- X – Have I used the visit/call to listen for potential business **multipliers**?
- Y – Am I giving myself key opportunities to learn more about them by asking **why** during the pitch?
- Z – Does my pitch put people to **sleep**?

