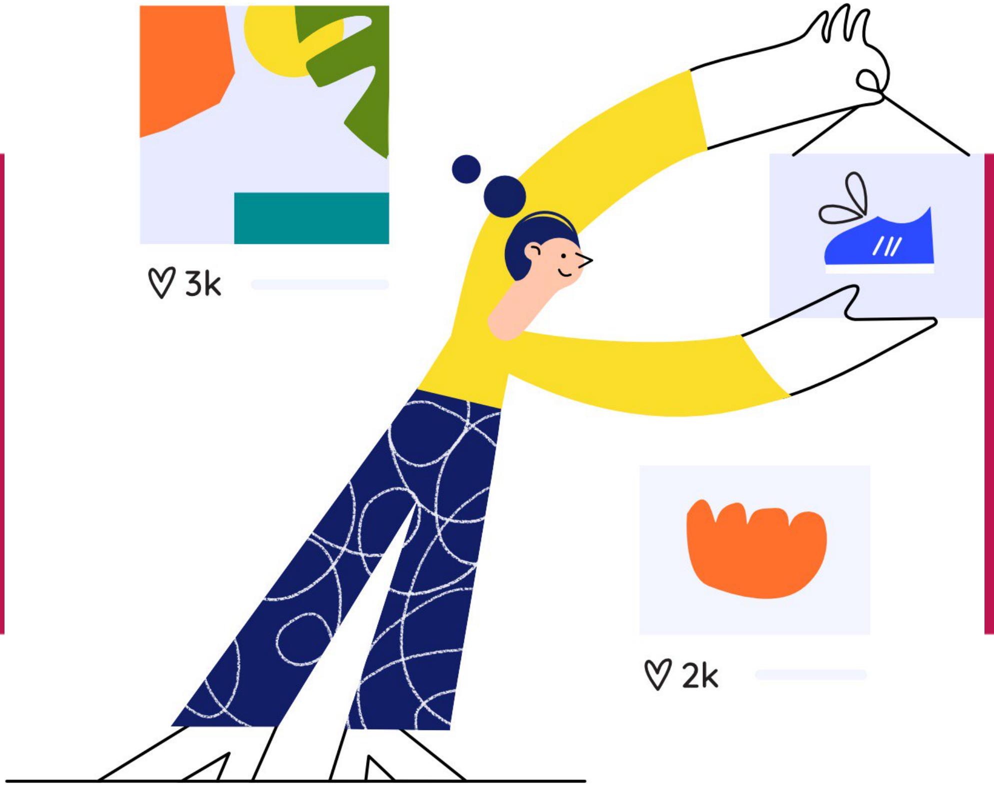
# Understanding what investors are looking for and what to consider for an effective business pitch




**Audra Shallal**

Member of the Board of Directors - EBAN, SBA, I4W

# About your Presenter

Audra Shallal

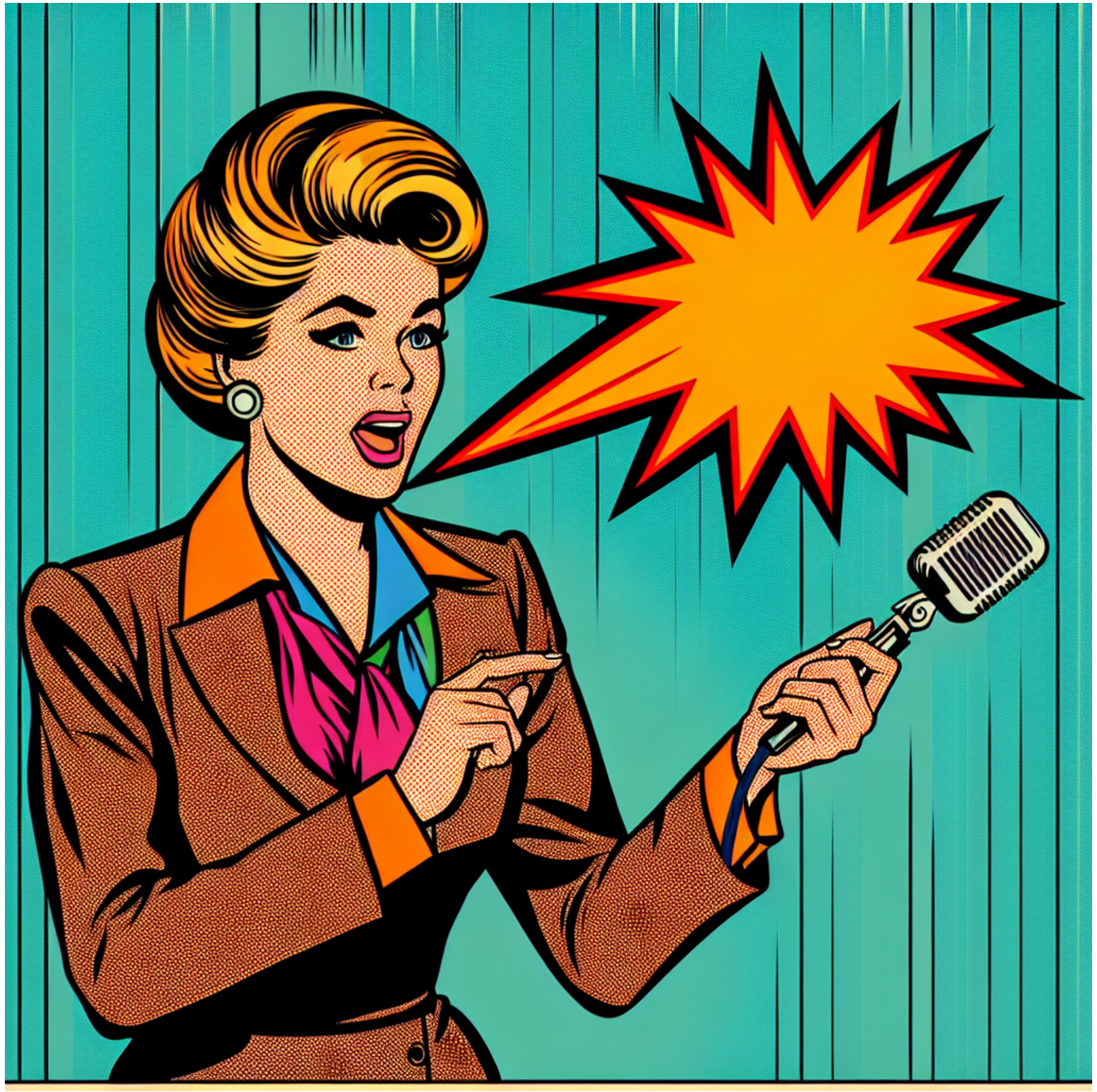
## Professional Bio

- Co-founder of Flying Finn Angels
- Co-Chair of EBAN Sports
- Professor and Head of Entrepreneurship Programmes – ENSCP, CELSA, Polytechnique, ParisTech
- European Innovation Council (EIC) Jury Member - European Commission
- Former Vice President – Femmes Business Angels
- Expert Advisor – OECD, UNEP, UNIDO, European Commission, D2XCEL
- EIC expert - Hydrogen and Clean Fuels
- Advisory Board Member – EBAN, AFBAN, NFBAN, Tenmou Bahrain Business Angels, BADGE Business Angels des Grandes Ecoles, Sophia Business Angels, Impulse4Women, MENA-OECD Enterprise Financing Network, WOMEN TechEU partner

## Personal Interests

- Former Professional Classical Ballet Dancer
- Competitive HorseShow Jumping and High Level Foil Fencing (National, International, World Championships) Gold, Silver, Bronze Medals
- Classical Piano
- Mecene and Jury Member Paris Opera Ballet
- Autism Awareness Initiaitives
- Audra’s angel investments are industry-agnostic, but the majority focus on sectors in deep tech, including Digital/ ICT, Health, Energy, Sports, Mobility, Agritech, and Sustainability.

# The Elevator Pitch



# Elevator Pitch

- An "Elevator Pitch" is a concise, carefully planned, and well-practiced description about your company that your mother should be able to understand in the time it would take to ride up an elevator.

- It is not a "sales pitch”. Don't get caught up in using the entire pitch to tell the Investor how great your product or service is. The Investor is "buying" the business, not the product. Tell him/her how you will run the business.

# Six questions your "Elevator Pitch" must answer:

1. What is your product or service?
2. Who is your market?
3. What is your revenue model?
4. Who is behind the company?
5. Who is your competition?
6. What is your competitive advantage?

# Effective Delivery of Your Elevator Pitch

1. Convinces the “target person” to schedule a longer meeting with you, and be receptive to doing business with your company.

2. Empowers and enables the “target person” also to convince other appropriate people to become interested in your company.

3. Resonates. Demonstrates sincerity.
4. Communicates a sense of value, empathy, and urgency.
5. Combines thorough Sales and Market Research.
6. Requires no more than 1-2 minutes.

# Elevator Pitch Formula

## Fill in {between}:

***"{ABC Corp} is an {Industry} venture developing {Products/Services} for {Markets/Customers}.***

***We solve the {Pain/Problem} using our unique {Technology/Products}.***

***Our team includes {ImpressiveTalent}.***

***Unlike {traditional/competitors} we offer {some key, dramatic improvement}."***

# What do you think makes an effective Business Pitch?

# An effective Business Pitch has…

- A clear statement of the pain and how your product addresses that pain
- A credible venture concept
- A coherent statement of how this concept can be turned into a viable business
- Clearly identified customers
- Sufficient information on why the management team is right for this venture
- Clearly identified what is unique about the proposed venture

# An effective Business Pitch has…

- Clearly identified what is the business' competitive advantage
- Clearly identified the startup resources that will be required
- Clearly identified the cash flows that will be produced
- Justified the "top line," i.e. what sales will be
- Shows how investors (if needed) will realize their return or harvest their investment

# Financial Projections

| Financial Projections | | | | |
|---|---|---|---|---|
| | Historical Results | Year 1 | Year 2 | Year 3 |
| New Customers | | | | |
| Units Shipped | | | | |
| Revenues | | | | |
| Gross Profit | | | | |
| Gross Margin % (2) | | | | |
| SG&A | | | | |
| Operating Profit | | | | |
| EBITDA (3) | | | | |
| Net Income | | | | |

**Financial Assumptions:** Be prepared to explain key assumptions behind your forecasts and the size and composition of your current "burnrate" (the amount of cash the company uses each month)

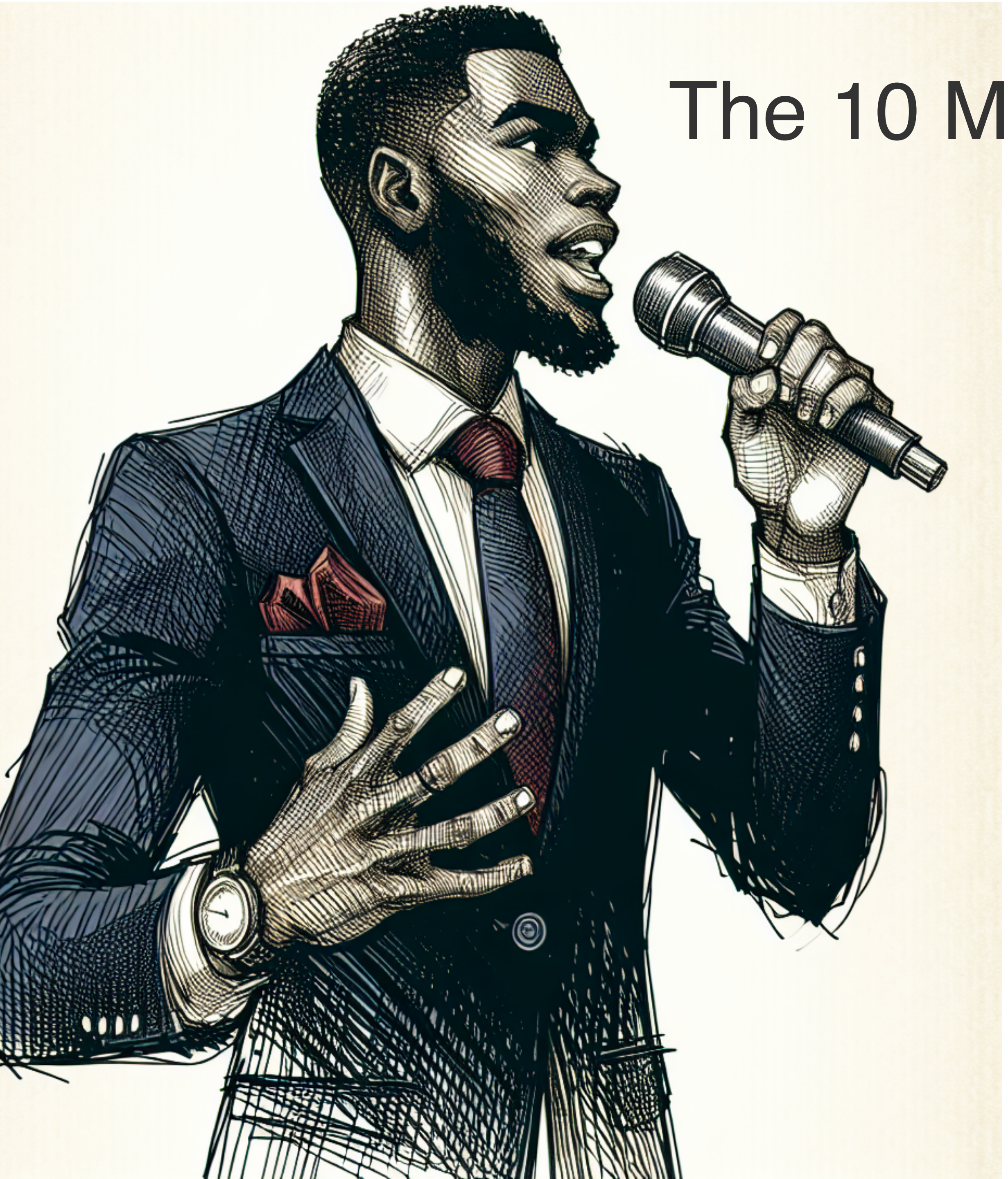
## Common Investor Questions…

- What kind of **revenues** can the business produce, on an annual basis, over the next three years?  Profits?
- To the extent possible, explain **key assumptions behind your forecast relates** in a logical way to the market forecasts you described previously.
- What is the business model?  (i.e. what will produce the company's revenue?)
- What kind of **gross margins** will the company have?
- What **level of operating profit can the business generate**?

**Exceptions:** Also be prepared to explain "dramatic" numbers, such as:

- "Instant" market penetration & dispersion
- Hockey stick growth (drastic sharp upward growth trend)
- Unprecedented margins
- Long periods of negative cashflow (shoot for positive cashflow in 6-12 months)

# The 10 Minute BLITZ



# The 10 Minute BLITZ

**Introductory visual/logo**
**Problem/pain it solves**
**Product description**
**Business Model**
**Market size, growth**
**Target customers**
**Competition and competitive advantage**
**Distribution and sales channels**
**Management team and advisory board**
**Alliances and partnerships**
**Financial projections**
**Previous/future milestones**
**Funding requirements**
**5 Top Reasons to Invest**
**Closing visual/logo**

# Summary

- The Investor Presentation is used to introduce your business opportunity to potential clients, investors, partners, or employees.
- Entrepreneurs are never recommended to present their entire Business Plan to a first-time audience, however if your audience shows interest in the Investor Presentation, they will want to review the detailed Business Plan.
- The two documents are used together and are NOT exclusive of each other so entrepreneurs should never prepare an Investor Presentation without preparing a Business Plan.

# THANK YOU FOR YOUR ATTTENTION, ANY QUESTIONS?