

Presenting to investors

So, you have taken your big idea and with great care and attention you have grown and nurtured it. You have invested both your own time and money, the business plan is ready, the concept has been proven, you have risen to every challenge and all you need is the investment to take it forward.

One of the biggest challenges you now have to face is presenting your pitch to potential investors. Whilst it is not difficult, getting it wrong can be very costly.

What Investors are usually looking for

- Something they can understand.
- No Industry Jargon, little technical detail.
- Something they want to hear not what you want to say.
- People they can trust.
- A short, concise, easy to understand Executive Summary.
- A clear simple product description.
- A proof of concept.
- A clear exit strategy that has been well thought out.
- A clear implementation and people strategy.
- A practical sales strategy, how are you going to reach and penetrate your market?
- A clear understanding of the market and your market positioning.
- What need does your product fulfill and what makes it different (Unique Selling Points).
- Management track record and motivations.
- Management investment in £ not only time.
- Experience of turning their money into profit.
- Good barriers to entry.
- Ownership of the Intellectual Property, patents and trade marks.
- Realistic company valuation.
- Achievable company sales and financial targets.
- Three years company financials, monthly.
- How far has the company developed to date.
- What is needed to make the business a success, what is the investment going to be used for?
- Above all 'What's in it for me?', and 'what experience have these people got of not losing me my money'.

Regular mistakes

- Presenting what you want to say and not what the investors want to hear.
- An unexciting and uninteresting presentation style.
- Too much use of industry jargon.
- Too much emphasis on technical detail.
- Assumption of market knowledge.
- A lack of competitive positioning.
- No unique selling points.

- Unrealistic financial and sales projections.
- Over optimistic company valuation.
- Lack of Return On Investment information.
- Inflated salary expectation.
- Confused sales strategy.
- No exit route.
- Inadequate funding request.
- Management appears weak.

Include the following content

- What is the business?
- Management expertise.
- Management Investment to date.
- Brief product description including Unique Selling Points (USPs) and above all the need.
- Brief market description and positioning.
- Trading position to date.
- Potential of the business.
- Forecast profit and turnover figures.
- Investment required and what it will be used for.
- Prospects for the investor/lender.
- Exit strategy.
- Summary, the 3-4 main points you want them to remember.

Summary

- Take plenty of handouts and business cards.
- Be enthusiastic and excited about the product, company and prospects.
- Do not talk too fast, slow down.
- Speak louder than normal
- Vary the pitch, emphasise points by sharp increases in volume, or by decreasing volume to invite careful listening.
- Be animated, use your hands.
- Remember: Words 10%, Tone 40%, Body Language 50%.
- Do not lose eye contact.
- Stand evenly balanced.
- No rocking.
- Keep the allocated time in mind.
- Props are a useful tool.

REMEMBER!!!

Remember that in nearly every case the audience is on your side and that what you are trying to do is secure enough interest for a follow up meeting. You must present what the investors want to hear, not what you want to say. The same applies to this presentation as any other – the more you practice it, the better you will become at it. You will probably only get chance so make it count.