Presenting your venture idea
Different audiences, different goals
Agenda:

- What’s a pitch? What do you hope it will do for you?
- Let’s give some pitches
  - Prospective investors
  - Other target audiences
- Distillation: are there guidelines we can extract?
- Give the pitches again, using what we’ve learned
- Your turn; Conclusion
My background

- CEO – Scientific Nutrition Products, Inc.
- Principal at Scientia Advisors – management consulting
- CEO of Vitasoy USA (turn-around)
- Founder & CEO: three medical companies
- Executive positions at Baxter, Abbott, other companies
- Princeton, MIT Sloan
What I’m doing now

Practicing what I’m preaching…
Three key criteria for building this venture

*This idea meets all three of these critical criteria*

**The Right Problem**

The customer or consumer will happily pay to solve this problem

- Lowering cholesterol: No
- Back pain: Yes

**The Right Solution**

We can deliver a scientifically sound solution in a way that brings the customer back for re-orders

**Acquisition**

Several companies will say they’d like to discuss buying the company if we successfully solve the problem

**Commercial success**

A scalable, protectable solution that matches my skills

**Successful exit**
Food for Sleep
A science-based recipe

- Start-up
- We’ve made a 2½ oz. beverage to help you sleep
- Made MVP, ran market test, testing several market segments
- In the market as of August 2014; Initial distribution via Amazon (and us), then retail outlets + The Grommet
- Current targets: athletes, business travelers, natural foods enthusiasts
- We’re staying in touch with prospective acquirers
- Wish us luck…
Working Moms didn’t work for us
*Sensible hypothesis, didn’t work in the market*

- **How we pursued them**
  - Mommy bloggers – got good reviews
  - LeadMe Media: targeted e-mail list
    - Working moms, complained of insomnia, shop at Whole Foods, opted in to receive these e-mail ads
    - Sent 100,000 ads 2X: total cost $2,500

- **Results:** $72 in revenue ➔ not worth pursuing

- **Why?**
  - Working moms don’t spend on themselves
  - Sleep is a deferrable luxury ➔ not an urgent buy
We’re finding our customers!

*And they’re coming back for more…*

- **Athletes: train hard, eat right and SLEEP**
  - Serious runners: “I ran the fastest race I’ve run in a long time, and my recovery has been so much easier”
  - CrossFit enthusiasts: “Sleep is so important to rebuilding between work-outs, and this stuff is great!”

- **Natural Foods lovers:**
  - The Grommet video drove sales through the roof
  - We’re getting reorders: The Grommet & Amazon

- **We’re turning up the heat: more promotions**
So what’s this pitch you speak of?  
*Who’s it for? What’s it supposed to do?*

- It’s some sort of presentation that is intended to persuade others:
  - Of your point of view
  - To effect some desired behavior

- Therefore:
  - To whom might you present it?
  - Why?
  - What are your goals? What result do you want?
Potential audiences for your pitch

- Customers
- Potential employees
- Current employees
- Channel partners/retailers/etc.
- Family members
- Investors
Two requirements: successful pitch

- The idea is appealing to the audience
  - Examples: good fit
  - Examples: square peg, round hole

- They believe you
  - “Your description is true”
  - “You can do what you say you can do”
Understanding your audience

This takes thought and research

- Which do they care more about?
  - You
  - Themselves

- Should your goal be to persuade them that:
  - You’re really smart?
  - Your technology is really awesome?
  - Your vision is really compelling?

- Answer: Yes, if it is a Reason To Believe

- But their 1st priority: “How will this help me?”
A few guidelines

Presenting to your audience

- Invest the time to understand what they want
- A sequence that is often effective is:
  - Introduction
  - Why this will be great for them
  - Support: Reasons To Believe
  - Ask for feedback ➔ if encouraging, ask for the order
A few more guidelines

*Presenting to your audience*

- What helps you be believable?
  - Conviction/enthusiasm/passion (but not lunacy)
  - Supporting evidence
  - Brevity

- Three rules of brevity:
  - Be clear
  - Be brief
  - Sit down
Let’s pitch prospective customers

*Volunteers?*

- **Guidelines for presenters:**
  - Set the stage: Who are you? Who am we? (briefly…)
  - Two minutes
  - What are you selling? Why should we care?
  - Address our potential concerns

- **Guidelines for you in the audience**
  - Listen attentively
  - Offer guidance that will help the presenter improve
  - Incorporate the feedback into your own presentation
I had to do this two weeks ago

*Thank you, The Grommet*

- The Grommet: product launch site for Makers
  - “We launch undiscovered products and help them succeed.”
  - “Grommets are products with a purpose invented by people with stories.”
  - They buy from the Makers, sell to their subscribers
- Noon: Jan 6, sent two-minute video to their 2 million subscribers (gulp…)
- [www.thegrommet.com/food-for-sleep](http://www.thegrommet.com/food-for-sleep)
Let’s pitch potential executives

You need her, so do others with more $$…

- Same guidelines for presenters, audience
- Remember:
  - Make sure the idea is appealing
  - Make sure (s)he believes you can make it happen
- Volunteers?
Let’s pitch to a key retailer

*Shelf space, representation, etc.*

- Same guidelines for presenters, audience
- Remember:
  - Make sure the idea is appealing
  - Make sure (s)he believes you can make it happen
- Volunteers?
So what have we learned so far?

- Different audiences may merit different pitches
  - Examples?
  - Why?
- But in every case, what matters is:
  - It matters to them
  - They believe you
The 8-letter word everyone hates

- PRACTICE
  - Sometimes you have to work hard to make it look easy
  - You’re retraining yourself: new habits
  - Give your talk to an empty room
    - Use a timer
    - For the brave: record it (Oh God…)
  - See the first bullet on this page…
Investor pitch: first try

- The 30-second pitch: has its merits, hard to do
- How should you organize your investor pitch?
  - What you want to talk about?
  - What I want to hear about?
- Does emotional appeal have a place?
  - Why do investors invest?
  - Does your story capture their hearts & minds?
  - Diabetes story: David
- Volunteers?
Basic questions about your business

*Easy to ask, not so easy to answer…*

- What’s broke that your company will fix?
- How many people/companies have this problem?
- How are they addressing this problem now?
- Why/how is your solution better?
- Who will be your first customers?
- How will you find them and let them know about your solution?
- How will you make money?
Let’s pitch prospective investors

Volunteers?

Guidelines for presenters:

- Set the stage: Who are you? Who am I? (briefly…)
- Two minutes
- Tell us about your investment? Why should I care?
- Address my potential concerns

Guidelines for you in the audience

- Listen attentively
- Offer guidance that will help the presenter improve
- Incorporate the feedback into your own presentation
A 500-year old pitch (circa 1501)

*It’s old, but it worked…*

Having, most illustrious lord, seen and considered the experiments of all those who pose as masters in the art of inventing instruments of war, and finding that their inventions differ in no way from those in common use, I am emboldened, without prejudice to anyone, to solicit an appointment of acquainting your Excellency with certain of my secrets.

1. I can construct bridges which are very light and strong and very portable, with which to pursue and defeat the enemy; and others more solid, which resist fire or assault, yet are easily removed and placed in position; and I can also burn and destroy those of the enemy.

2. In case of a siege I can cut off water from the trenches and make pontoons and scaling ladders and other similar contrivances.

3. If by reason of the elevation or the strength of its position a place cannot be bombarded, I can demolish every fortress if its foundations have not been set on stone.
4. I can also make a kind of cannon which is light and easy of transport, with which to hurl small stones like hail, and of which the smoke causes great terror to the enemy, so that they suffer heavy loss and confusion.

5. I can noiselessly construct to any prescribed point subterranean passages either straight or winding, passing if necessary underneath trenches or a river.

6. I can make armoured wagons carrying artillery, which shall break through the most serried ranks of the enemy, and so open a safe passage for your infantry.

7. If occasion should arise, I can construct cannon and mortars and light ordnance in shape both ornamental and useful and different from those in common use.

8. When it is impossible to use cannon I can supply in their stead catapults, mangonels, trabocchi, and other instruments of admirable efficiency not in general use—I short, as the occasion requires I can supply infinite means of attack and defense.
9. And if the fight should take place upon the sea, I can construct many engines most suitable either for attack or defense and ships which can resist the fire of the heaviest cannon, and powders or weapons.

10. In time of peace, I believe that I can give you as complete satisfaction as anyone else in the construction of buildings both public and private, and in conducting water from one place to another.

I can further execute sculpture in marble, bronze or clay, also in painting I can do as much as anyone else, whoever he may be.

Moreover, I would undertake the commission of the bronze horse, which shall endue with immortal glory and eternal honour the auspicious memory of your father and of the illustrious house of Sforza.—

And if any of the aforesaid things should seem to anyone impossible or impracticable, I offer myself as ready to make trial of them in your park or in whatever place shall please your Excellency, to whom I commend myself with all possible humility.

Leonardo Da Vinci
Your turn

Any last questions?
Summary

- You will need to make many presentations to many audiences: customers, employees, partners, investors and more

- Presentations are not “one size fits all.” Find the places where you and your audience are in harmony
  - Who is your audience? What are their greatest interests?
  - If they do what you’re asking them to do, why will they be better off?

- Two of the most important components are:
  - They want what you’re presenting
  - They believe you
THANK YOU