

# HOW TO CREATE A WINNING INVESTOR PITCH DECK



What are the hallmarks of a deck that demands an investor's attention?

A well-presented investor deck tells a lot about the company. It is like the window into the soul of the entire company. It tells us how mature the company is, and why one should invest in it.

Investors come across hundreds, if not thousands of pitch decks (also known as 'investor deck/presentation') every year. Your deck should capture attention quickly and deliver pertinent points that are relevant to the investor's decision-making process.

Let's start with some basic principles that should be applied across your presentation:

- **Less is more:** don't bore investors with overly lengthy sentences.
  - Include relevant points only - put yourself in the investor's shoes and consider what vital information you would deem relevant to your decision if you were the investor.
  - Ensure that the content flows well.
- **Visual:** A picture speaks a thousand words. The human brain processes visual stimuli much faster than words.
- Your presentation should instill **inspiration and excitement** while simultaneously delivering solid data (facts and figures).
- Your **unique differentials** are clearly articulated
- Ensure your **company branding and style** is consistent



There is no perfect pitch deck and this overview is by no means all-encompassing, but we have reviewed and fixed up enough investor presentations to narrow down the major details that matter. This document functions as a **general guideline to structure your investor presentation to achieve the desired engagement from potential investors:**

## 1) Problem

What are the **current issues you are solving**? This needs to be clearly articulated. It is important to highlight that this is a demonstrated problem you are solving, or there will be insufficient traction for the business.

As innovation speeds up, the chances of your solution to this demonstrated problem being the first-to-market are very low. Even if there aren't direct comparisons, do your homework and look at what solutions are currently being used by your target market.

## 2) Company & Solution/Product

Introduce your company and proposition. This is where your **USP (unique selling proposition) or competitive advantage** shines: what makes your product/solution different from your competitors? Highlight both features and benefits of the solution.

It is important to ascertain if your solution genuinely solves a need in the market. Is your product proven (i.e. do you have **paying customers** buying your products or services)?

Do you have **patents** on your IP (intellectual property)?

## 3) Market Validity

It still surprises us to see there are many companies that have not extensively done their own market research.

Make sure you have done **extensive, relevant market research and validation**. What is the market demand for your product? Is this a growing sector, or a very specific niche sector? Who are your **direct and/or comparable competitors, current and future**?

It is important to draw parallels and compare your company against other competitors. How have your competitors succeeded, and how have they failed? What are the main "take-aways" that you can extract from them so as to **learn from their past mistakes**, as well as minimising potential future risks?



#### 4) Business model

Clearly describe your revenue streams and specify whether these are proven or beta tested. What are the probabilities of failure with these revenue streams?

If applicable, include a high-level overview of the pricing and packages.

What are your **sales and distribution channels** - does it rely on sales or business development personnels, or is it automated? How long is a typical sales cycle? How **replicable and scalable** is your business model?

How well established is your **customer journey strategy**?



#### 5) Team

What are your team's **collective and individual strengths, experience, and track record**? Has the team worked together in previous opportunities?

As a general guide, the core members in a team should have strong, demonstrated expertise and/or strengths in:

- Leadership (a demonstrated track record that people will follow their lead)
- Product/Tech/IP development and innovation
- Sales & Marketing
- Financial management
- Operations/processes/systems

#### 6) Traction

It is important to demonstrate what **major milestones** you have achieved so far, where you are currently, and what the future trajectory is projected to look like.

What happens to the company's plans if there are deviations, slight or material, to the expected future timelines? What does that do to the financial performance?

## 7) Financials - historical, current, and future

Cash is the lifeblood of any company. Demonstrate your company's past and current performance.

While forecasted financials are important, the credibility of forecasted values depends on the company's performance and traction to date.

1. What are your monthly and annual revenues, EBITDA, and expenses?
2. Do you have signed current and potential future sales contracts, upon which your future forecasts are based?
3. What are your main revenue drivers? Include factors that can affect the outcomes (sensitivity analysis)

For startups, you may not have any revenue but it is important to demonstrate a clear path to revenue, indicating main revenue drivers and factors that can significantly impact the revenue outcomes and how you are planning to mitigate/manage those factors.

## 8) Investment opportunity

Clearly articulate the type of investment your company is seeking for. What type of funding would work best for your company - equity, convertible note, debt?

If equity, what is the company's valuation that you are expecting? Is this value based on predictive modeling with reasonable assumptions?

What are you offering in return to your potential investors? What is the exit strategy for these investors?

## 9) Use of funds

You should articulate what you would need the investment capital for. Make sure the numbers add up and are justifiable. You can also include how much real capital the main principals have infused into the company to date.

For larger sums of capital raises, what milestones have been developed to ensure confidence with the investor(s) for the subsequent tranches?

