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How to pitch your dream business to
investors

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Outline

- Background
- Crafting your message
- Selling your message
- Approaching Investors
- Setting the right goals for pitching events
- Prerequisites for successful pitching
- How to raise start-up capital
- Q & A

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Background

- Investors are constantly looking to invest in viable ventures that meet certain criteria
- Your dream business should create value that many people are willing to exchange for money
- Investors are out to make profit and not lose money. So it takes a major effort trying to convince them
- Promoters must be really sure of their business ideas and must have done extensive homework before approaching investors.
- You need a business plan

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Crafting your message

- It all starts with a properly written and thoroughly well researched business plan covering all aspects of the business idea. Prospective investors must have copies prior to your pitch.
- Extract key points from all parts of your business plan e.g your idea, financial projections, SWOT Analysis, Marketing plan etc.
- Use powerpoint to create slides for each aspect of the business plan and populate the slides with your key points
- Know your audience and create a presentation that exceeds their expectations. Investors require useful information to help them decide

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Selling your message

- A well crafted powerpoint presentation with the right content is a powerful selling tool
- You need to have a good understanding of the dos and donts of making effective presentations
- Seek for formal meetings with investors where you can present to them with minimal distractions within an agreed time
- Prep for questions with the help of your advisers
- Copies of all materials should be well printed and shared with investors for further study and consideration

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Selling your message contd.

- Rehearse your presentation – What are you going to say?
- Be careful and cautious not to make unrealistic claims and assumptions
- Be ready to be challenged on your assumptions and take every question

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Approaching Investors – what to consider?

- Investors' track record of funding businesses
- Nature of funding they provide – debt or equity
- Investors business model
- Reviews
- Funding requirements

How to approach investors

- Use correspondence, make enquiries via email or follow guidelines

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How to set the right goals for your pitching events

- Setting the right goals is driven by having the right objectives for pitching which could include:
 - Making investors clear and aware about the biz potentials
 - Removing all doubts regarding investing in the enterprise
 - A proper and realistic assessment of the opportunity

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Prerequisites for successful pitching

- A well written business plan
- Proficiency in the use of powerpoint
- Thorough understanding of all aspects of your business venture
- An understanding of how to pitch and present
- A good knowledge of potential investors expectations
- Worthy answers to expected questions

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How to raise startup capital

- Once you've determined how much startup capital is required you can raise it
 - From your savings, keep money aside to invest
 - From angel investors (friends & relatives) usually with few terms and little interest.
 - From financial institutions. They have different categorizations of funding depending on your requirements, track record and relationship with them

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How to raise startup capital contd.

- From NGOs & foundations like the Tony Elumelu Foundation that fund startups. Again certain requirements apply
- From Government agencies such as the LSETF, an agency of the Lagos State Government, giving loans at much more realistic interest rates once you meet their criteria
- From Venture Capital firms who can usually provide high level funding. They usually have the most stringent conditions before you can access it.

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Example Pitch on Dragon's den



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Q & A