TOP TIPS FOR PITCHING FOR INVESTMENT

Whilst it's not the case for every entrepreneur, for many, pitching to strangers is a daunting prospect. Trying to convince experienced investors to invest in your business can be intimidating. To help you, we've created these top ten tips for improving your pitches, which are based on the pitches we've seen and conversations we've had with clients and potential investors:

Making an impression

The first line of your pitch should grab the attention of your audience. If you don't make it compelling to an investor from the get go, by the time you get to the good stuff they may have already stopped listening or, unfortunately, made up their mind not to invest.

Confidence is key

If you look nervous and sound nervous it will probably make your audience feel slightly uncomfortable, which is not exactly the atmosphere you want to promote when trying to encourage investment. Whilst it's fine to feel nervous (and the likelihood is that you almost certainly will – it's human nature) you should try and do everything in your power to promote an air of confidence – whether that be the classic 'imagine your audience naked' trick or taking some deep breaths beforehand to regulate your breathing – as the investors will be instantly more engaged in your pitch and encouraged to invest.

Tell a story

Storytelling is a far easier way to engage an audience, create a connection and, very simply, offer the opportunity for an investor to like you, rather than just talking about hard numbers. That's not to say the numbers aren't important (they are!) but, as the old adage goes, people invest in people. Investors are looking to invest in the people behind your product / service just as much as your product / service itself, so if you can create that personal connection it should make an investment all the more likely.

Keep your focus

It can be very easy to get caught up in the moment once the adrenaline has kicked in and then find yourself going off on a tangent. To avoid this pitfall, try to speak slowly and clearly with appropriate pauses. This will not only allow an investor to digest what you are saying but should also mean you do not get ahead of yourself.

Practice makes perfect

Once you have spent the time preparing your pitch do not fall into the trap of failing to practice it sufficiently. The more people you can practice in front of the better, so take the opportunity to do so in front of anybody who is willing to listen. The chances are that once you have practiced it with a few different people you will have some areas of constructive criticism you can improve on.

Listen

It's easy to forget during your pitch (where you are doing all the talking) to listen attentively. Investors will almost certainly have questions for you which, depending on how you answer, may sway their decision on whether or not to invest. If you haven't listened to the question properly, you may struggle to provide the best answer you can.

Keep up appearances

This probably goes without saying, but you should ensure you have presented yourself appropriately to your audience. This is akin to an interview, so dress accordingly.

Ditch the script

It may feel safer to write a script of exactly what you want to say, learn it from memory and then repeat it in front of an investor. However, by doing so your pitch will probably feel rather wooden and you are in danger of losing your place should an investor interrupt you with a question half-way through. A far better approach is to have your key points, which you can come to in almost any order, which will allow you to be far more flexible when answering any questions the investors may have.

Time is money

The timing of your pitch is often an underappreciated aspect of its success. Obviously each pitch will vary in length but, as a general rule, try to aim for the 10 - 15 minute mark. Be sure to pace your pitch appropriately as well. Try not to dwell on any one point for too long and don't gloss over the important points – it's a balancing exercise.

Where's the exit?

It's also easy to forget that an investor's primary objective is making a, hopefully substantial, return on their investment. If they can't envisage when and how they are going to exit they probably aren't going to invest. Accordingly, whilst it can be easy to focus on trying to get the money coming in, remember to make it clear how you're aiming to get the investor's money returned.

Bonus Tip

Lastly, you should always try to make your presentation as visual as possible. Pitching will always be much harder when you do not have any visual aids to assist you. If your business is selling a tangible product, bring that product with you; the investors would much rather be able to see the product in its physical form rather than use their imagination. If you can let the investors get their hands on the product, all the better!

Get in touch

For further information, please contact Kirsty Simmonds whose details are below.

KIRSTY SIMMONDS
SENIOR ASSOCIATE

0345 074 2528
kirsty.simmonds@emwllp.com