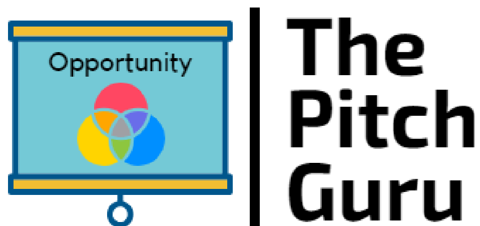
PITCHWRECK!™

Mistake #1: Avoiding This Funding Pitch Mistake Will Immediately Improve Investor Interest

By: Tony Clemendor



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Welcome...

Hi. My name is Tony Clemendor. I'm the founder and Pitch Guru at Exponent Advisors, where we help startup founders navigate the fundraising process and scale their businesses. As you might guess, a big part of what I do there is working with founders on all elements of their fundraising pitch. I also mentor and teach founders as part of my work with various startup accelerators and VC firms. In addition to working from the founder side, I also work on the investor side. I'm currently a member of the Selection Committee of a Silicon Valley angel group where I help decide which pitches make it to the next level.

Is this guide really going to improve your fundraising success?

You might be wondering if this guide is critical for YOUR fundraising efforts. That depends...

- Have you ever had a great idea for a company, but didn't know how to go about raising investor money?
- Or you were told that you needed a pitch deck to do investor presentations but didn't really know how to create a pitch deck that would get investors interested?
- Have you ever tried to research "How to create a pitch deck" online? Did you get dozens of results that just gave you a list and a short description of the template slides you need to create, or a list of design resources that can create fancy graphics and images for you, but no real information on how to create effective content in the right way?
- Have you wondered if you should join an accelerator to learn how to create a pitch deck, only to think that you're too busy trying to start a company to take a week or two off just to learn about pitch decks?
- Have you struggled with trying to figure out how to present you, your team, your business, your credentials, your reason for starting a company, the merits of your product, why customers will buy your product, how your company will make money, your strategic plan, a competitive analysis, and ask for money all in just 10-12 slides?
- Have you ever given a pitch deck presentation and been told that you have too many words or too many slides, but not told what information you could cut without making the deck ineffective?

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- Have you ever wondered why some pitch deck presentations leave out certain slides, but are still considered “great”, while yours has all of the suggested slides but doesn’t generate follow up investor interest even after many presentations?
- Have you ever felt like your company’s story didn’t quite fit the pitch deck template you found online, but didn’t know how to change the template for your specific situation?

If you’ve run into any of these challenges in trying to build a Pitch Deck that gets investors excited about your vision, then you should read on. I train lots of founders on how to create effective decks and the information in this guide is about one of the most common and dream-killing mistakes I see. This guide is designed to help you avoid the mistake and get funded so that you can focus on building your business.

I think I made almost all of the Pitch Deck mistakes in my early efforts. Then I learned they were easy(ish) to fix.

If creating a great deck and getting funded has been daunting for you, you’re certainly not alone. I had the same struggles personally when I started my early businesses. Actually, I started my first business so long ago that we didn’t even have pitch decks. You just emailed business plans to investors. Yikes!

When I set out to create my first investor pitch deck, I was surprised at how hard it was to create one. After all, I had an MBA from Harvard Business School, had founded or co-founded 2 startups, and had recently sold the last one. In my startups, I’d been CEO or COO. I thought I was a smart guy. But creating a great deck seemed really hard. It turns out, it’s not as hard as I thought if you know a few basic rules.

> *“...most of what I found online were repeated lists of the 10-12 template slides I needed and a description of what should be included on each slide.”*

I started out like many people researching pitch decks and most of what I found online were repeated lists of the 10-12 “standard” template slides I needed and a description of what should be included on each slide. If you’ve tried to research this, you know the list I’m talking about: Intro, Problem, Solution, Market, etc. There are lots of these lists out there and the good news is that they mostly agree on what the slide content should focus on. The bad news is that you need to know how to modify the content based on your particular business.

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I used those online lists as a starting point and built my first decks. They were horrible. Looking for help I applied to and was accepted into an accelerator where I learned a lot about creating an effective deck. But their cookie cutter approach only got me so far. Also, the program was 3 months long. Who has the time to wait 3 months to create their deck? Don't get me wrong, I learned about more than pitch decks at the accelerator, but I needed more help learning how to pitch so that my business stood out.

It seemed like each time I gave a presentation, the feedback tended to be at a high level and focused on "what" I should improve, but not "why" or "how". Things like "There are too many words on your slides" or "You need to strengthen your Go-To-Market" slide".   It turns out that there are very effective ways to make those changes... and very ineffective ways. Effective, in this case, is simply a matter of understanding what the investor needs to hear.

I read everything I could find about pitch decks and spoke with many investors and found that effective decks had a lot in common... Crappy decks had a lot in common too!

I started applying what I was learning to decks I built for startups I was working on. I found that fixing the common mistakes dramatically improved my ability to get investor interest. During that period I'd started advising other startups. Part of what I did as an advisor was to help those founders with their decks. My advisee's decks initially had the same problems I'd become familiar with. The more presentations I watched and the more decks I worked on, the easier it became to spot quick ways to make them more effective. I went to a ton of pitch competitions and started to work with some of the presenters to improve their decks.

Silicon Valley is actually a pretty networked community and after a while I was asked to judge several pitch deck presentations. No matter how many pitch presentations I watched, I saw the same set of mistakes made over and over. Eventually, I was asked to join the Selection Committee for a Silicon Valley angel investing group, and sure enough, the same mistakes were showing up time and time again. I wanted a way to help founders improve their chances of getting and keeping investor interest. I realized that if I could address the commonalities of crappy decks BEFORE people used them in presentations, I could help a lot of founders.

I distilled the list of mistakes down to the "7 Deadly Sins of Pitch Decks" which I teach in my Pitch Deck Bootcamp and which is also featured in my online course. I've been thrilled to watch founders who initially had pretty bad decks go on to successfully raise millions of dollars in seed financing rounds. Then I started to get inquiries from founders around the country and realized that I couldn't set up calls with all of them to go through their decks and help them fix their problems. In addition, startup founders who are trying to raise money often are not in a position to pay my hourly rates. I began creating guides like this one to help founders like you avoid or fix the biggest barriers to having an engaging deck. The guides are the product of my pulling together information for my Online Pitch Deck Bootcamp Course.

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The advice in this guide will help you to improve your current deck if you have one. If you haven't put your deck together yet, it will help you save a ton of time by helping you build your deck the right way the first time. My motto lately is: "Friends don't let friends give ineffective investment pitches."

Is a Pitch Deck that important in the funding process?

Why is it even important to have a killer Pitch Deck? Why did they shift from business plans to pitch decks at all? The simple answer is: efficiency. Both VCs and angel investors have to review a ton of companies to make just a few investments. In fact, it's pretty typical for a VC firm to invest in only 10 companies a year after reviewing over 1,000 companies! That means that only 1% get funding. That's not a typo. Just 1% get funding. The ratios are a bit less daunting for angels, but the point remains, getting funding is like playing musical chairs on a epic scale. You don't want to be left standing.

The volume of companies that VCs and angels consider means that they need a way to quickly decide which of the 1,000 companies that they see are worth a closer look. Pitch decks aren't just used to make it to the finals. Sometimes they're used to become one of the 1,000 companies in the top of the funnel . Sometimes they're used to decide who gets an actual meeting. They're also used to decide who moves forward after the much-sought-after meeting with the investor. So they are crucial in moving a company through the funding pipeline.

> *"In the old days, you had to "know someone who knew someone" to even get an investor's attention."*

Over the last few years we've all seen a strong increase in the number of Pitch Competitions and Demo Days. That creates an unprecedented opportunity for startups. In the old days, you had to "know someone who knew someone" to even get an investor's attention. It was common knowledge that investors rarely looked at or invested in "cold submissions" or "over the transom" applicants.

And while knowing someone is still a huge foot in the door, these pitch competitions create opportunities for the people without a huge network in the same way that American Idol or The Voice have created opportunities for unknown talent to be discovered. Your pitch deck is your audition. If you want to be part of the 1% that get funding, make it the strongest audition you can!

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Think about it… If you were an investor and could only invest in 10 companies a year, how much time would you spend on a company that made simple, easy-to-avoid mistakes on their big presentation? The mistake in this guide isn't a small mistake, like typos (although typos in your pitch deck aren't good either). This is the sort of mistake that keeps the investor from moving from "curious" to "interested" in the first place. In other words, this mistake will end your progress through a particular investor's funding pipeline.

When I realized how important pitch decks were in helping startup founders to achieve their dreams, helping them to succeed became one of my life's passions. If I can help hundreds of founders, like you, bring hundreds of products and services to the market, I potentially get to make a big impact! Not a bad gig.

So what is this mysterious mistake I keep mentioning?

The mistake is "Acting as though the business has no risk!" Also known as "Ignoring the Elephant in the room!"

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Aaron Patzer, the founder of Mint said that one of the secrets of Mint's success was that they figured out how to "Turn a perceived risk into an asset". In case you don't know his story, Mint is a company that aggregates personal financial data from all of your banks, credit cards, etc. to give you a complete view of your finances and spending and make recommendations. When he was fundraising, about 50 investors turned him down. They didn't like the risk that consumers were never going to trust their banking info with a startup.

Rather than avoid the risk, Aaron adjusted his pitch to explain how having all of that information was a good thing for consumers because it enabled Mint to detect fraud or unusual spending patterns quickly. He also explained how Mint's plan was to employ the right security mechanisms, like not requiring a name or address to sign up for Mint, making the system read-only with no account numbers, and implementing bank-level data security and audit procedures, so that consumers would trust Mint.com.

Aaron was able to successfully raise his startup funding and went on to sell Mint to Intuit for $170 million. If he had tried to ignore the risk instead of using it and showing that he had a plan, it's likely that he would never have gotten his initial funding and the story could have ended there. Whether you mention a plan to deal with risk or not, the investors are going to be thinking about the risks that are likely to kill your startup.

Let's face it. Startups have a high failure rate. Depending on what statistics you look at, somewhere between 90% and 99% of all startups fail. The failure rates for the companies that get venture funding is around 70%, which is still pretty high. This may be your first startup, so that statistic might be something that you are just starting to see.

> *"...the risks of your business are front and center in the minds of the people you are pitching to."*

Investors, on the other hand, especially those who have been around for awhile, have seen those numbers play out over and over. They have invested in startups that failed. They understand that investing in startups is risky business. Knowing the failure rates is why you hear that VCs look for 10x returns. They want a return that will make up for the inevitable failures in their portfolio. That means that the risks of your business are front and center in the minds of the people you are pitching to. That's something many founders don't think about.

And yet founders, in an attempt to look confident and optimistic, regularly pitch as though their business has no risk. THAT is an enormous miscalculation. Don't try to avoid the elephant in the room. Show that you've included the elephant in your business planning.

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Think about it. An investor is sitting there listening to a pitch from a founder about a business that has a substantial amount of risk. Do you think that the investor would prefer the pitch from the founder who is silent about risk or the founder that shows that they know the risks and have a plan to mitigate them?

There are a number of questions that come up when a founder fails to address risk:

- Are they aware of the risks? Are they familiar with the risks of startups in general or the risks for companies in their particular industry?
- Have they underestimated the risks to a point that's unrealistic?
- Have they thought about how to deal with the biggest risks, or has that been left for later as a "detail"?
- Do they have a plan to deal with the most significant risks?

If a founder isn't aware of the risks of startups or the risks in their particular industry, that's like like an aspiring football player not knowing why the other players are wearing helmets. That person isn't likely to inspire you to take out your checkbook and support them.

If a founder is aware of the risks, but doesn't think that they are important enough to deal with up front, that's almost worse. It suggests that they don't think of risk management as an important part of strategic planning. Again, not the most inspiring person to want to give a check to.

And while the founder might have an amazing plan to deal with risk, if they don't demonstrate that they are even aware of the risks by mentioning the plan, an investor might not be motivated to follow up and learn about those plans. Remember that investors are 50 to 100 plans to make a single investment. To compete with those other founders, you want to make sure that the investor knows that you know what you are getting into and that you have a plan.

When a founder addresses the risks in their pitch, or shows that they have a plan to deal with the worst of the bunch, it does a lot to give the investor confidence that they are looking at a founder who is strategic and has done a lot to de-risk the business. Investors invest in people. In particular they invest in people who present as well informed, strategic, capable, and smart. Smart people plan for "what could derail us".

What sorts of risks should founders make sure that they address in the pitch? Here are some of the biggest that often get ignored:

- Customers might not actually want the product. There's risk that the target user won't actually see enough value in the product to adopt your solution in large numbers
- That your team aren't the right people to out-execute the competition

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- That you don't have a plan to make money. That your business model won't work
- Risk that you don't have a cost effective way to reach and acquire customers
- Competition risk

There are certainly more risks than this on the investor's mind, but if you show that you have thought about and have a plan for these, they will likely assume that you've got the more minor risks covered. Even if you didn't have the the others covered, having a good plan to deal with these risks significantly reduces the risk of the venture in the investor's eyes and increases their confidence in you. Given the percentage of pitches that fail to address these well, doing so also gives you a clear and immediate advantage over your competition. Remember that this is about getting to be one of the 1%.

If you are ever watching another startup give their pitch presentation, see if they do any of the following things that show that they either: (1) didn't understand their risk; (2) didn't have a plan to manage risk; or (3) didn't think the risks were important to address properly:

- They say that they have "no competition".
- If they don't have actual customer traction, they don't show some proof that consumers buy into their value proposition
- They don't talk about how they will keep future competition at bay
- They don't demonstrate that they understand how their buyers make purchase decisions
- The don't address pricing
- They don't explain why their team is well suited to do their jobs

If you are guilty of doing any of these yourself, never fear, I'm here to help. If I just told you the things NOT to do, that wouldn't make this guide any better than the advice that's quick and easy to get from a quick Google search.

> *"Turn a perceived risk into an asset." - Aaron Patzer, Mint founder*

How do you use risk to make you look *less* risky?

It seems a bit counterintuitive, but like the Aaron Patzer example above, risk can actually be your friend. What I mean is that if a new business venture really had no risks, then the big risk is actually just competition. I say that because if a business idea had no risk, then everybody would be doing it. If everyone were doing it, then you'd have a ton of competition. And since any market has a limited number of customers, more competitors makes it harder for you to get a meaningful slice of the market.

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The opposite is true as well. If a venture has a lot of risk it's likely that there will be fewer people eager to jump into that market. So going into a venture with a lot of risk reduces your competition. If you have good de-risking strategies in your plan you potentially kill two birds with one stone.

So let's talk about what you can do to address the risks we mentioned in this guide:

The Risk that customers might not actually want the product

The strategy for addressing this one depends on what stage your company is actually in. If you are pre-product, then you will want to show what you've done to validate the demand. Be careful not to fall into the trap of using other companies to show that the demand has already been validated. Whenever I hear a founder say something like, "NetFlix has already shown that people are willing to pay $xx to stream yy, so the model has been proven", my first thought is "then why wouldn't NetFlix be doing what you're doing." I may or may not have been thinking that anyway, but using anyone else to validate your market just highlights your biggest competitive threat. And if what you are doing isn't so close to what they are doing that you compete, then their activity isn't really validation of your market. .

Instead, if you are pre-product, show that you've done Customer Development. Customer Development is simply speaking with lots of members of your targeted customer base and asking them about their experiences and needs around the pain point that you are solving. Show that you've spoken with enough potential customers that it's clear that you've established that people are looking for something like your product.

I've watched pitch presentations where the company was pre-product and the founder had not spoken to potential customers, just friends and associates who all had something great to say about the idea. Unless you have a few million friends and associates, you will need to reach out to people that don't know who you are. Plus, your friends and associates may or may not actually be in your target market. On top of that, they are your friends. They may be trying to be supportive. While there's nothing wrong with that, you'll want to show that people who don't know you like your product anyway.

Doing customer development interviews serves two purposes. The first is that it shows that your product isn't just something that you think is a good idea, but something that others are expressing a need for. The second is that it shows that you have clearly identified your target and know where to find them.

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If you have a product you will want to show that people are actually adopting and using your product. You may have heard of MVP's, or Minimum Viable Products. These are versions of your solution that have not been fully polished but which offer users an experience that is very close to what your product will offer. Offering users an MVP or a finished product is a great way to show that users will use your product.

Having a finished product or an MVP means that you should be able to show traction. Good traction metrics are all about showing how people interact with your product when they have access to it. Do they open accounts? Do they make transactions? Do they use your app? How often do they use it? You don't want to include every interaction metric. Remember that the goal here is simply to show that there is little risk that people don't want the product since people use the product when they can.

This applies to both consumer and enterprise businesses. But with enterprise businesses there is a chance to go a step further. If you have a working product you should be able to find target customers who are willing to try your product on either a paid or unpaid basis. This is sometimes called a "Proof of Concept" or POC or a Beta Trial. In either case, the idea is that you find a company that reflects the profile and use cases of your broader market and get them to validate your product. If you can get a few of these rather than just one, that's even better.

> *Minimum Viable product users and Beta users will do a lot to demonstrate reduced risk*

Getting Beta Users is a huge milestone to show that customers will use your product. If you can get a beta user that is well known in the industry, it not only shows the investors that you potentially have a strong product, but you get to use that beta customer to get other customers. The beta customers will also help you identify the most important features of your product so that you can focus future development on the features that will help you sell more.

Finally, whether you are pre-product or have a product with some type of delivery delay, you should try to get some pre-orders for your product. You will often see pre-orders on crowdfunding sites. This is simply where you go out and sell even though you might only have a prototype or a concept drawing along with a great description of the product. If you can show strong presales of your product, that is another great way way to prove that people want your product.

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Summary of addressing the Risk that the target audience don't want/value the product:

- If you are pre-product, do a lot of customer development interviews to show that the product is something that your potential users think is something that they really want and will use.
- Include supporting information from the customer development interviews in your pitch to show that you know who the customer is and how to reach them
- If you have an MVP or a finished product, show how people adopt and use the product. Include in your pitch the best metrics to show that people will use and pay for the product.
- If you are an enterprise business, get some beta users to use the product. Always mention your beta users in your deck if you have any validating results.
- Pre-orders are another great way to show that people want your product. If you can generate any, be sure to include those numbers and revenues in your deck.

The Risk that the target user won't actually see enough value in the product to adopt your solution in large numbers (Market Risk)

The next risk that you want to address is the market. This one is easy for some businesses and tricky for others. The reason I say "tricky" instead of difficult is because people almost always seem to find numbers to put up on their slides to show a big market, but they don't always find the right numbers. Keep in mind that investors see a lot of these presentations, so they can tell when you are putting up market numbers that don't really reflect the potential revenue that your company can generate. And that's what they really care about.

For example, let's say that your company is competing in a billion dollar market. You will often hear that as a good number to shoot for. But if your company can really only generate revenue from a segment of that market which is 10% of the total, like the "left handed" segment, then you are really competing in a $100 million dollar market. That slice is often referred to as the SAM or Segmented Addressable Market. That doesn't leave much chance for you to become a $100 million business. In fact, if you captured a healthy 10% of your market, you would generate $10 million in revenue which is not enough to satisfy a VC or even most angels.

Moreover, most of the market size numbers that are thrown out in these presentations are for the entire market. When you combine market risk with the risk of people wanting your product, you can see that there's a good reason why investors think about risk. If the market isn't genuinely large and there are not enough people that think your product is worth adopting, you won't last long. In fact, if you look at the 2018 CB Insights report on Reasons Why Startups fail, the number 1 reason, cited in 42% of the failures, was "No Market Need". There is usually

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some market need, but in this report when they say “No Market Need”, they mean not enough need to grow or sustain a meaningful business.

You will see pitch slides with multiple numbers with labels like “Total Addressable Market” and “Segmented Addressable Market”. When I see slides that show any market that is not actually relevant to the business, but is there to show a large number, I feel like the founder isn’t being honest. If you are going to have more than one market shown on in your deck, my opinion is that the different numbers should all reflect markets where you have the near or long term potential to earn revenues. For example, if you are initially going to grow in the US, but plan for a global expansion in phase 2, then showing the US and global markets makes sense.

In terms of reducing the market risk you generally want to show 3 things:

- That your particular market is big enough for your company to generate substantial revenues
- That your market is growing and is likely to continue to grow
- That your market has an opportunity for a big new competitor

Angels and Venture Capitalists have different requirements in terms of what sorts of revenues you would need to make to get their money. Venture Capitalists used to be happy if you could generate $100 million a year. That number seems to be getting bigger. On the angel side, a good investment might be a company that can generate $30+ million and is well positioned to be acquired.

> *Don’t use metrics or revenue numbers intended to inflate your activity or potential*

You should be realistic about what sort of revenues your company can generate, not focus on metrics like Gross Transaction Value (GTV), that feel like a little phony. If you don’t know what GTV is, let me explain. Let’s say that you have a marketplace business and you make 10% on the value of every transaction on your marketplace. If your platform is responsible for $100 million in transactions for the vendors on the platform, that $100 million is your GTV. But if you make 10% on the transactions, your business business makes $10 million. That $10 million is the number that truly impacts the value of your business. When you are presenting, be transparent about the potential revenues for your company based on your business model. Using metrics that try to inflate the opportunity don’t reduce the market risk. They just reduce the investor’s confidence that you are a straight shooter.

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Summary of addressing the Risk of Market Size:

- Show a market that truly reflects your businesses potential for revenue
- Don't show more than one market unless all of them are part of your growth plan
- Don't use numbers that only serve to inflate your company's potential or current revenues

The Risk that your team aren't the right people to out-execute the competition

On that CB Insights report that I mentioned earlier, the #4 reason, which was cited in 23% of the startup failures, was "Not the right team". You may have heard the saying that "Investors don't invest in startups, they invest in people." That's mostly true.

It's interesting that many founders don't want to tell people their business idea because they don't want anyone to steal the idea. But the fact is that ideas are everywhere. Guy Kawasaki, the author of several startup books, including The Art of the Start, and a Silicon Valley Venture Capitalist has said "Ideas are easy. Implementation is hard."

In fact it's likely that someone is working on your exact idea right at this moment. When I go to a lot of pitch presentations back to back, it's almost funny how many times I will see the same idea pitched by several different founders over the course of the same month. What's funnier is that each of those founders think that they are working on something completely unique. Once again, remember that investors are going to the same presentations I am, so they know that your idea isn't unique. You and your team are.

Startup success is largely about the ability to execute a good plan for a good product in a good market. See, that's not complicated. We've talked about proving that you have a good product and you've shown that in your deck. We've talked about having a good market, and you know how to show that as well. So we now shift our energy to reducing the risk that your team can't execute. If I used a sports analogy, investors want to know if you have a High School football team, a PAC 10 Team, or an NFL team?

Your team will be the reason why your company will be Facebook, not MySpace. Why your company will grow to be Google in the face of Yahoo dominance. Why your company makes Marvel movies, not DC movies. Why your company will be Netflix, not Blockbuster. Amazon vs. Barnes and Noble. The list goes on and on. There are lots of companies competing in virtually every hot market from the AI space to blockchain, self driving vehicles to transportation on demand,etc. The winners will win because they had the best team. Period.

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You need to give investors reasons to believe that your team has the drive, experience, skills, network, or history to succeed. The more you can create confidence around your team's ability to execute, the more you've reduced the investor's risk in giving you money.

So how do you do that? Easy. Start with asking yourself what are the critical things that you need people to bring to your venture. Typically these will include things like:

- Industry expertise (strategic & market)
- Technical expertise (platforms, technology, & operations)
- Industry contacts (sales & partnerships)
- Management expertise (recruiting, team development, & scaling a startup)

That list isn't meant to be comprehensive, but rather a high level list that is common to most startups. You'll note that the specific items are all things where success in those areas helps reduce the risks of the venture.

While it's true that you want smart people on your team, there are a lot of smart people on the planet. Some of those people would be an asset to your startup and others would not. You want to show investors that you are being selective about who is on your team and that each person fills a risk reducing role.

I see a lot of pitch decks where founders put lots of faces on the team slide to show that they have a "team". Honestly, you would be better off with 2 superstars than with 5 mediocre players. Investors are looking to see how well you hire and how you will use their money. They want to know that you know what you need and can attract and recruit A Players. An impressive team can make up for weakness in a lot of your presentation, so this is a big deal

How do you show that your team will help reduce the risk of the venture? Only highlight those things that show that they will increase your venture's chances of success. Company and school logos are nice, but only when they add to your team member's ability to contribute. Also, don't add company logos to make an impression if the company isn't relevant to your product or market, or if the team member's role at that company is not related to what they add to your venture. As an extreme example, if someone was in sales for Apple and you want to bring them in to run your marketing (yes, I've seen this sort of thing), don't put the Apple logo up to highlight that they were at Apple. Stick with the elements that will still be impressive during due diligence.

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Team Members' relevant experience and accomplishments are more important than where they went to school or where they worked

For each team member, you should ask yourself the following questions:

- How close is their experience to the role they would be performing in company? How much experience do they have?
- Have they had the title and responsibility before that they would have with my company? If so, where and for how long?
- Does their experience and skill make them someone that a competitor would love to hire? Why?
- Have they had experience before working in startup conditions? Were they successful in their previous startup roles?
- What were their impressive accomplishments related to my business that they had in previous roles?

For example, if you are in the business of creating a transportation on demand company, did your team member work previously for a company like Lyft or Uber? Did the person that you are bringing on to head sales set up and grow a successful sales department somewhere? Did 2 or 3 of your team members work together successfully in a previous venture to show that they work well as a team?

Again, you won't use every answer that you come up with, and you don't have to give the same piece of information for each team member. Just give the information that makes that particular team member someone that has the potential to be a significant contributor to the venture. Mentioning junior people to show "bench strength" isn't helpful. Investors can only process and remember a certain amount. Your pitch is about making an impression. Focus on showing the key reasons why your team is capable of growing a successful business.

If you show that you have an impressive team it shows that you can spot and recruit talented people. That will make it easier to sell the idea that some of the money you are raising will be used to recruit more of the same.

The same basic advice goes for advisors. Don't put advisors on your slides unless they add significant value that de-risks your business. Advisors with strong subject matter or industry expertise and that will be actively available to you are great to include. Ditto with advisors who are well known in an industry and willing to help open doors and make introductions. That advisor that you worked with from your accelerator that won't return your phone calls or emails

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should be left off of the slide, no matter how impressive they look The fact that they are not actively involved will come out in due diligence and you will look like you are not representing your assets honestly.

Also, never include an advisor in your deck without their permission and an explicit agreement that they are an advisor. I was once at a pitch presentation and was surprised to see my name and photo as one of their advisors. I had given them some feedback once, but that was it. Again, the real relationship would come out and you would not look great.

Summary addressing the Risk that your team isn't the team to execute and out compete:

- Just show the team members that add to your team's ability to execute
- Highlight the specific assets that each team member contributes to the whole
- Don't include school or company logos just to impress if they are not relevant
- Don't include advisors unless they are active and have the ability to actively assist you in growing the business.

The Risk that you don't have a plan to make money. That your business model isn't the right one

There have been a lot of companies that have died because their business model didn't work. The margins were too thin, the costs of acquiring a customer were too high, the pricing was not competitive, etc. This is another area where your approach to de-risking differs based on whether you are pre-product or have a working product.

If you are pre-product, the good news is that it's understood that many of the assumptions about what people will do when offered your product are exactly that: Assumptions. The key here is to make sure that those assumptions are well reasoned and backed with logical thought and enough data to support that they are indeed reasonable.

If you're pre-product, you will also need to show that you know the market prices for your product or service and how your proposed pricing compares. Show market pricing for the same market segment you used when estimating the market. For example, if you are servicing a premium market, show market pricing for the premium market.

In this context your pricing includes any cost to any user of your product where that cost contributes to your revenues. So if you are a Saas company, it will include your subscription pricing. If it's a marketplace, it would include the transaction percentage that they have to pay. If you have an advertising model, it would include the price you charge for ads. Since the investor

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is looking at your potential future revenues, they would like to see that your market not only likes your solution, but thinks it's worth the price you are asking.

The other good news if you are pre-product, and even in some cases where you have a product, you won't have to give totally speculative numbers like customer acquisition cost or lifetime value. At this stage, everyone knows that those numbers are just guesses. Part of the reason why you are looking for money, and why they are giving you money, is to find out the answers to those specific questions and prove the business model.

> *CB Insights listed "Pricing Issues" and "Product Without A Business Model" as 2 of the top 20 reasons that startups fail*

If you have product, the bar goes up, but not a huge amount. Since you are raising money no one is expecting that you have a huge number of data points for things like sales. But you should be able to show that people in your target market think that your product is worth what you are asking for it. This is another area piece of information that you can get from customer development interviews if you have a product but are still pre-revenue.

If you have a product and you have traction, you might already have enough info in your deck to show that the target market is fine with your business model. Showing that it is already working goes a long way to mitigating the risk that you model doesn't work. The next hurdle in this area will be for you to address the risk that your business model can scale.

Summary of addressing the Risk that your Business Model won't work:

- If you are pre-product, show that you understand how your pricing competes in the marketplace
- If you have a product, show that the market is willing to pay your price.
- If you have actual sales, your traction metrics will do the heavy lifting here.

The Risk that you can effectively reach and acquire customers/users

As mentioned above, if you are early stage you may or may not have enough information to do more than guess what your costs will be to acquire a customer. Even if you don't know those numbers yet, investors will want to know that you recognize that acquiring customers isn't always easy and that you have a strategic plan to get them.

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Some markets and industries in particular are renowned for being difficult to reach effectively, like the education market, the small business market, the hospital and health care markets, to name a few. For consumer businesses, there is the question of how you identify and find your customers at the right time and at scale.

For example, if you are providing a solution for people who are about to relocate to another country, how do you identify when they will start shopping for services related to the relocation? If you are offering a completely new type of product or service that doesn't have established marketing channels, what is your plan to reach your audience at the necessary scale?

For this particular risk you need to clearly show that you understand the "buyer's journey". I won't go into a long discussion of the Buyer's Journey here, but will say that it is the buying process of your customer. It starts with their awareness of your product, how they evaluate your product, and how they decide to buy your product.

The buyer's journey applies for both consumer and enterprise customers. Generally speaking, you will show your knowledge of how to reach your customers in your Go To Market slide. Don't try to "wing" the Go To Market slide with generic, high level strategies, like "content marketing", "growth hacking", or "partnerships". You will need to show that you know the most effective channels and strategies for reaching *your* customers in *your* market. If you plan to use social media, why? Which social media outlets are likely to be most effective? Twitter? Facebook? Instagram? If you are planning to attend conferences, which conferences? If you will use content marketing, what specifically is the content strategy?

Like every other slide in your deck, you don't want to put too much information on the slide. You can cover some of the more important strategic elements verbally. At this point you know that the objective here is to help the investor feel like you are the right person to invest in and that you have created a plan to launch and build the business that has taken most of the risks into consideration and has thought about how to handle them.

Ask yourself if you are answering the following questions with your slide:

- How will the company make a large number of potential customers aware of the product?
- How will you help customers quickly understand the value proposition for their consideration?
- Do you know how purchases are made? Who is the actual purchaser? Are there purchase influencers?
- Do you have a strategy for effectively moving people from awareness to purchase?

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Summary of addressing the Risk that you don't know how to effectively acquire customers at scale:

- Know the buyer's journey for your particular industry
- Know if you are serving a difficult market and show that you know the hurdles (bureaucracy, regulatory qualifications, no established channels, etc)
- Know the details of your plan beyond listing high level, generic strategies
- Have a plan for making prospects aware of the value proposition
- Have a plan for moving the prospect from awareness to purchase

Competition risk

> *Never, ever, ever say that 'We don't have competition"*

One of the biggest risks to any startup is simply competition, which I touched on earlier. It's a risk at any point in a company's lifetime, but it is an especially big risk when the company doesn't yet have a strong reputation, a legion or users, and a big bank balance.

Competition is also the place where many founders are either naive or they think that if they don't make a big deal about it, then it won't be a big deal. As with all of the other sections, investors know that there is competition, whether you mention it or not. Not mentioning it doesn't do anything to make the investor trust you. In fact it's quite the opposite effect. If you are naive, that's a bad thing. If you are trying to hide something, that's worse.

Repeat after me: "In an investment pitch presentation, I will never say that 'I don't have competition'". That's one of the frequent deal killing phrases that makes me cringe. There is *always* competition. One of the worst situations is when you don't know who they are and the investor can name 3 off the top of their head.

The strategy for reducing competitor risk in the eyes of the investor is the same here as in previous sections. Show that you understand the landscape and that you have a plan. A strategy starts with a clear picture of what you are competing against.

There are basically 3 types of competition that you will need to address:

- Legacy/status quo competition
- Big company competition (current and future)
- Competition from other startups (current and future)

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The legacy competition is the method or product that your target market is already using to solve the problem you are solving. Yes, the old solution may be antiquated, but it's still your competition.

Big company competition comes in two flavors, current and future. If you are entering a market with big existing players, like Uber, or LinkedIn, doing a variation of what they do today, that's current competition. If there is a big company that is not yet playing in your yard, but which has related products, capital and technology, and a huge number of your target customers as their existing customers, then that's "future" big company competition (pronounced "Amazon" or "Google" for many companies).

The last competition category is startups. Somewhere in the world, it's likely that someone is working on your exact idea. You should do some homework to see if any of those competitors have started to gain momentum or traction. You should be especially aware of them if they have raised investor money to fuel their growth. That is important for two reasons. The first is that they have a head start. That isn't always important, but it's good to know so that you can show you are an expert in your market. The second reason is that knowing who is funding your competition will be important in your investor strategy in that it will impact who you approach and who you avoid.

There are 3 easy ways to find out if there are any startup competitors you should be aware of:

- There are a few websites that list most of the current startups and their funding status. Check these sites using keywords related to your solution. The biggest are AngelList and Crunchbase.
- Do a simple Google search the same way one of your potential users would if they were looking for a product like yours. It's a good exercise in any event since it will force you to think about the keywords that people will use to find you. Look at the first 4 or 5 pages of the search results. Startups won't always have made it to the first page of the search results yet. After checking the generic search results, check "news" and scan for press releases.
- Go to online forums and ask if anyone knows a good way to solve "x". In this case "x" is the problem your company solves. A good site for this sort of thing is Quora. If your product is designed for enterprise users, look for LinkedIn Groups in your industry and ask the same question. You can also go to industry or interest specific sites where your potential customers are.

For any of these types of competitors, you need to do two things to reduce the perceived risk:

- You need to differentiate your company/product from theirs
- You need to show why they can't simply outspend you

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The differentiation part is another one of those places where I see founders make a lot of mistakes in how they present themselves. If you've seen a few pitch presentations you've seen the two most common formats for comparisons to the competition: the matrix and the table. I'm not going to weigh in on which is better, but I do have strong opinions on how people screw them up.

> *...limit your presentation to the 3-5 most important comparisons from your customer's viewpoint. Not yours.*

For either the table or the matrix, you have to decide what are the things that you are actually comparing. Are you comparing features? Price? Speed? Outcomes? User experience? Ease of integration? I have seen dozens and dozens of criteria used. Part of the problem is that the generic templates on the internet don't always have great suggestions on what makes sense for your business. The other problem is that people feel like more comparisons are better. It will almost always be the case in pitch presentations that "Less is More". But the only way that works is if your "less" is meaningful.

If you've done the customer development interviews that have been mentioned earlier, you hopefully are aware of the things that your users don't like about existing solutions. If you have actual customers, you know the features that make your product truly competitive and useful. In all of that, you have the information that should be featured in your competitive comparison table or matrix. From that list, you would be well served to limit your presentation to the 3-5 most important comparisons from your customer's viewpoint. Not yours.

To give you some concrete examples, I've seen pricing used often in these comparisons. If pricing is important to your customer, then use it. If the pricing difference isn't meaningful, or the customer is relatively insensitive to price, then use the space for something more impactful. If your product gives a more comprehensive result than a competitors, you should use that, unless the customer doesn't really value the additional information. I've seen founders that thought that users would love more data, only to discover that it wasn't that important to them.

On a table, don't list features that you have just so that you can put a check next to it. I've seen truly unimportant features that the "competitors" didn't have listed on tables. That's because no one cares about that feature. Having a lot of checks next to your competitors "x"s isn't helpful if it isn't meaningful.

On a matrix, don't create a meaningless axis just so that your company can be alone in the upper right hand quadrant. I've seen axes that are so confusing that my brain froze while trying

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to figure out why each company was in the quadrant they were in. Worse than that, I get stuck when I see companies I know in quadrants that don't make sense.

Every investor you ever present to will be asking themselves why some competitor won't waltz in and steal your business. Worse yet, why would they even let you get to critical mass when they see you coming?

In order to show that you are reducing the risk that someone will simply come in and outspend you, you should have a "competitive moat", that's the sort of thing that will always get an investor to sit up and pay attention. A competitive moat is just what it sounds like. It's something to slow or stop the enemy from breaching your turf. A good competitive moat applies to both big companies and startup competitors. If you have one, you should absolutely talk about it in your presentation. Typical examples of competitive moats include:

- Patents and other Intellectual Property protections
- Difficult to replicate technology
- Exclusive rights of some sort
- Difficult to obtain regulatory approval

Whatever you do, please do not think that "first mover advantage" is the basis for a competitive moat. Remember Yahoo? MySpace? Also don't think that the fact that it took you "3 years to develop the (fill in the blank)" is a strong competitive barrier. The amount of time it took you isn't relevant. What is relevant is how long would it take someone with money and resources to re-create or even improve on what you have. If the answer is "months" instead of "years", then it's not a big enough advantage to take up space in your presentation.

Summary of addressing Competition Risks:

- Don't ever say you have no competition
- Do the research to know who your existing and emerging competitors are
- Know what your customers think are the key differentiators of your product are
- Don't make up comparisons just to make yourself look good
- Mention any good competitive moat you have

You don't have to address all risks in your main slides

One of the toughest things about pitch decks is finding the right balance between including the important information and not including too much information. There are so many risks inherent in any startup that if you tried to address them all, you'd put your audience to sleep. The risks

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that I covered here are the ones that will help you keep the investors interested enough to want to speak with you some more.

If your business has some risks that might be specific to your industry or the way that you've structured your business, you might have investors ask about those at the end of your pitch. The fact that they are asking about some of the more specific risks is good. It means that they probably feel like you've got the main risks handled.

> *You finish your presentation, they ask a question, and BOOM, you have an Appendix slide to address the question!*

Throughout this guide I've talked about the fact that investors invest in you as a founder. They gain confidence in you when they see that you have thought about a risk and have a plan for it. If there are some risks that come up due to something specific to your business, you don't have to talk about it in your main slides. You can address it in an Appendix slide that only gets shown if you are asked specific questions. Imagine…. You finish your presentation, they ask a question, and BOOM, you have a slide to address the question. You look like you've thought about all of the major barriers to success and have a plan. Their confidence grows.

Examples of some of the types of risks you might address in the Appendix include:

- Risks that the business can't scale
- Risks that the business is too dependent on any one thing (a person, a platform, a partner)
- Risks that you aren't raising enough money to get to a meaningful milestone
- Etc.

Summary of Miscellaneous Risks:

- Think about risks that are specific to your venture and prepare a strategies to reduce those risks
- Use Appendix slides to cover risks that fall outside the norm

Here are some of the most common mistakes (do's and don'ts)

What I've tried to do in this guide is show you that risk can be your ally and should not be avoided. I also wanted to give you specific, actionable recommendations on how to do that.

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Armed with all of the above information, I've seen some of my clients/students make a few easily corrected mistakes in their execution. I thought it would be helpful if I shared some of their execution mistakes to keep you from doing the same.

3 of the most common mistakes made when addressing risk:

- Addressing risk as a risk/Not making the risk reduction plans just sound like part of your comprehensive strategy
- Trying to cram too much onto a slide
- Not knowing enough of the details of their risk reduction plans

Let's start with the trickiest of the mistakes: Focusing on the risk. I know what you're thinking: "This guy spent this whole guide focusing on risk and now he's telling us not to do that!". My response to that is "yes and no". This guide has been about how to "address" the risk that is already on the minds of the investor, not to "focus" on it. In the case of focus, you'd talk about the risks and what you will do to manage them. In the case of "address" you are assuming that they are already thinking about the risks, so you don't mention them, just your plan to reduce them. Let's take Money Back Guarantees as an example. When you see a Money Back Guarantee, you feel like your risk has been reduced. The company that is offering you the Money Back Guarantee is presenting their plan to reduce your risk. They never mention the risk that you are already thinking about, they are simply "addressing" it. Can you imagine is they wrote: "In case you're wondering if this thing you are about to buy, is legitimate, effective and long lasting, unlike some very similar things that you've purchased in the past and which have not been any of those things, we are offering you the chance to get your money back just in case we are also trying to rip you off." That is "focusing" on the risk. Generally the wording differences are more subtle.

Let's look at an example in a funding pitch deck context. For starters it's pretty easy to talk about competitors without using the word "competitors" or "competition". Imagine that instead of talking about "your competition" you instead had a slide that showed the "Industry Landscape". One of the lines I like to recommend to my clients, which I'm happy to share with you, is "Here's the current Industry Landscape and how we fit in". Do you see the difference between that and "Here's how we compare to the competition"? With the Industry Landscape line you are set up perfectly to go into your differentiators. And if you recall, those differentiators are based on customer feedback, so you can highlight how you are solving a pain in the existing landscape. That slight wording change can make a huge difference and is worth the time you took to read this far.

If your goal is addressing risk, it should change what information you lead with. For example, it you are presenting your team and you know that the investor is concerned about the risk that your team may not be able to execute, you will present different information than if your goal

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was simply to impress. Reducing risk is more specific. Impressing can be unfocused. Schools and past companies can be impressive, but experience and accomplishments reduce risk.

I've seen founders spend a lot of time with names and titles. First of all, how does an investor knowing a person's last name help? Second, do you think that anyone in the audience will remember any of the team member's names 10 seconds after you leave the team slide? What you want them to remember is that my team is well suited to execute and out-compete.

So in the case of the team slide, limit yourself to the 1 or 2 most impressive things they've done or that they bring to the table. For example: "We recruited Jim from amazon where he built their blah blah and scaled it from 10 million users to 100 million and grew his team from 3 engineers to 50". If you have one nugget that shows accomplishment rather than where they went to school, the investors will be much more confident that your team is the real deal.

> *"When it comes to presentation design, we can't read text on the screen and listen to the speaker while retaining all of the information. It can't be done." - Inc. Magazine*

The second mistake is perhaps the most common and the most difficult for people working on their first decks. They almost always cram too much stuff onto each slide. Let me tell you why it's crucial not to do this.

Humans can only process a certain amount of information at a time. That should be intuitive. In addition, there are a ton of studies to support the idea. In the case of pitch presentations, your audience can only do one thing at a time well. That means that during your presentation, you are asking them to switch between the two things you want them to do: read your slides or pay attention to you. Since they are considering investing in you, you want them to pay attention to you, not the slides. The slides are like your backup singers, they are there to enhance what you are doing, not take away the attention.

So when you put a ton of information on the slides, the investors are assuming that it's important stuff. They think that they need to read the slides to know what's going on. If you are talking while they are reading, they aren't hearing you. And if they pay attention to you, they feel like they are missing something important on your slide. You can't win that battle. Instead a good rule of thumb is to limit your slides to information that can be digested in around 3-5 seconds. I know that seems short, but in theory, you want to give them time to digest so that you can become the focus of their attention.

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So how do you know what to cut? The short answer is: you only leave the stuff you need. And when I say “need” I mean the stuff that is there to reduce the risk of the venture, engage the attention of the investor, and build excitement around your solution. You are already used to cutting to the bare bones for Twitter. Imagine that your slides have a character limit. If you could only have 4 bullet points, which would they be? If each bullet point could only have 6 words, what would those be?

Your bullet points can be shorthand. You should not read your bullet points. That is a rookie move. As my college classmate Seth Godin has said: “Don’t use your slides as a teleprompter”. Let the slides capture the big points and you fill in the detail.

In the team example above, for each member of the team I would have a face pic, full name, maybe a title, and 2-3 words to help their core strength be remembered. So for “Jim” in the example above, I might put “Scaled tech at Amazon”. That tells the investor more than his title would.

The final execution mistake I’ll mention here happens when the presenter doesn’t understand all of the “why’s” of the strategies in their pitch deck. It happens more than you would think and it’s like watching a comedian die on stage. It’s hard to watch. The reason why you should never do it is that when it happens, you instantly lose credibility with the investors and will rarely get it back.

I see this mistake popping up mostly in two places: The Go To Market slide and the business model slide. Some founders think that if they say something that the investor will have to believe them. While I applaud the confidence these presenters have in the use of “the force”, investors got to be wealthy, at least partially, because they don’t simply believe everything they hear. They want details. More than that, they want to know that you actually know what you are talking about, not just reading a script. Actors on TV can sound like they know how to do a heart transplant and you can sound like you know why $14.95 a month makes sense in your pricing or how “blockchain can make you more competitive” (I heard that in a dating site pitch).

In theory this is the simplest mistake to avoid. I say “in theory” because I still see founders making this mistake. And because it’s easy to avoid, investors hate seeing it. The secret cure has only two rules:

- Don’t include any strategy that you don’t fully understand
- Make sure that you fully understand any strategy you include

Those two things may look the same, but they aren’t. As we’ve mentioned before, you don’t need to include everything in your pitch deck. So that means that there may be some strategies that don’t need to be included. Some are strategies that you can save for the next meeting with

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the investor. In that case, you can bring your resident expert on that part of the strategy with you. Keep in mind that the advice for pitch decks in most cases is “Less is More”. If a particular strategy isn’t needed during the initial pitch to get an investor’s interest, then don’t put it in. That should apply even if you do happen to fully understand the strategy.

The second one, not fully understanding all of the strategies, happens when a founder “borrows” a strategy they found online or has another person suggest or craft the strategy. Every strategy has a “how” and a “why”. If the founder isn’t the one that came up with the strategy, they should make sure that they fully understand both of those.

> *If you get caught “winging” the details of a strategy, you’ll lose ALL credibility and won’t likely recover*

For the “how” they should understand what resources they have and what they need for the strategy. They should understand the cost, if any, to the strategy. They should understand how long it takes to carry out the strategy and what the milestones are. For example, if part of the Go To Market strategy is to “Leverage Social Media Influencers to promote the brand”, the presenter should know how the company will identify those influencers and what incentive the company will offer them. The presenter should have at least a high level execution plan in their head for each strategy in case the investor asks about it after the presentation.

For the “why” of the strategies the same rules apply. If the founder got the strategy off of the internet, they need to research why that strategy would make sense in their particular market and industry. The trouble with copying from the internet is you never quite know if what you got applies to your particular circumstance. If the founder got the strategy from a person (staff, expert, advisor, etc), then they need to sit with that person and continuously ask “why would that be important?” or “why would we do that?” or “why would that work?” until they fully understand. The fact is that a good CEO would not execute on a strategy that they didn’t understand. So including a strategy that you don’t fully understand sends a bad signal about your ability to be a good CEO.

Summary of the Most Common mistakes:

- Don’t talk about risks. Talk about the things that reduce risk
- Don’t force your audience to make a decision whether to pay attention to you or your slides
- Don’t include strategies in your deck that you can’t thoroughly explain the “how” and “why” for

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Here's what you should do RIGHT NOW...

If you made it all the way through this guide, congratulations. I sincerely hope that you picked up a few valuable nuggets that will have a significant impact on your fundraising efforts. Some of the recommendations in this guide seem like they may be minor tweaks, but if you apply them with care I know you'll be happy with the result.

Here's what I would suggest you do next. Don't let this guide gather dust, use it to take immediate action. I've created a checklist from the summary sections throughout this guide and included it at the end. Take that checklist and go through your current deck. Be critical of your deck and decide where you should make corrective actions.

If you need more help with your deck please visit our site at ThePitchGuru.com. We have other helpful resources, articles, etc. to help you have the best chances for getting your company funded.

Thank you for being one of the people out to change the world. It's my privilege to work with startup founders everyday and I hope that I can help you too.

I would love to hear about your fundraising success if you found this guide helpful. You can contact me through this link. - Contact page link

I wish you the Best. Go Conquer the World and Make a Difference.

Regards,

Tony Clemendor
The Pitch Guru
ThePitchGuru.com

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Pitchwreck #1 - Avoiding Risk - Cheat Sheet

Risk that the Customers will really want/value the product

- If you are pre-product, do a lot of customer development interviews to show that the product is something that your potential users think is something that they really want and will use.
- Include supporting information from the customer development interviews in your pitch to show that you know who the customer is and how to reach them
- If you have an MVP or a finished product, show how people adopt and use the product. Include in your pitch the best metrics to show that people will use and pay for the product.
- If you are an enterprise business, get some beta users to use the product. Always mention your beta users in your deck if you have any validating results.
- Pre-orders are another great way to show that people want your product. If you can generate any, be sure to include those numbers and revenues in your deck

Market Risk

- Show a market that truly reflects your businesses potential for revenue
- Don't show more than one market unless all of them are part of your growth plan
- Don't use numbers that only serve to inflate your company's potential or current revenues

Risk that you don't have a team that can execute and out compete

- Just show the team members that add to your team's ability to execute
- Highlight the specific assets that each team member contributes to the whole
- Don't include school or company logos just to impress if they are not relevant
- Don't include advisors unless they are active and have the ability to actively assist you in growing the business.

Business Model Risk

- If you are pre-product, show that you understand how your pricing competes in the marketplace
- If you have a product, show that the market is willing to pay your price.
- If you have actual sales, your traction metrics will do the heavy lifting here.

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Pitchwreck #1 - Avoiding Risk - Cheat Sheet

Customer Acquisition Risk

- Know the buyer's journey for your particular industry
- Know if you are serving a difficult market and show that you know the hurdles (bureaucracy, regulatory qualifications, no established channels, etc)
- Know the details of your plan beyond listing high level, generic strategies
- Have a plan for making prospects aware of the value proposition
- Have a plan for moving the prospect from awareness to purchase

Competition Risk

- Don't ever say you have no competition
- Do the research to know who your existing and emerging competitors are
- Know what your customers think are the key differentiators of your product are
- Don't make up comparisons just to make yourself look good
- Mention any good competitive moat you have

Handling Misc Risks

- Think about risks that are specific to your venture and prepare a strategies to reduce those risks
- Use Appendix slides to cover risks that fall outside the norm

Most Common Execution mistakes

- Don't talk about risks. Talk about the things that reduce risk
- Don't force your audience to make a decision whether to pay attention to you or your slides
- Don't include strategies in your deck that you can't thoroughly explain the "how" and "why" for

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