

A Guide to Preparing a
BUSINESS PITCH
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Howitt & Co

A business pitch: Telling your story

While your Business Plan is an essential tool to outline in detail key information for potential investors, you also need a sharp, snappy business pitch that communicates your plan simply, quickly and with conviction.

Your business pitch is **your story**– something that you can just as easily deliver formally to a boardroom of potential VCs as you can to a new contact over a coffee and sandwich.

It's a spiel you keep in your head. One that you can deliver without notes or props if necessary (although in more formal settings you may also use a flip chart or multimedia presentation to illustrate key points).

You have on average three to five minutes to sell your company – how it's going to become the next multi-million dollar technology enterprise and how you and your team are the best people to grow the future business.

You need to provide a short, pithy and believable story that establishes your credibility and takes investors on your journey to success.

Use this complementary guide as the starting point to preparing your Business Pitch. The information is presented in four sections, each focusing on a different aspect of your presentation:

Getting started

How to plan, produce and fine-tune your story.

Key points

Suggested areas to cover in your pitch.

Story-telling tips

Tips to develop and refine your pitch.

Supplementary information

How to produce a simple information pack providing additional information for potential investors.

Making the road map

When faced with a 'do-or-die' opportunity to sell our story, often we can be overwhelmed and confused: Where do I start? How can I possibly tell my story in a few minutes? What if I leave out important information? The information is just too complex to simplify and describe in a short timeframe!

Use these guidelines to brainstorm and mould your thoughts into a concise and flowing dialogue.

1. Aim to create a story that you can tell in three to five minutes. (You can always extend this by asking your audience for questions and clarification if you find yourself in a situation where you have more time).
2. Use the Key Points (over) as a framework for your pitch.
3. Jot down simple answers to the questions asked under each Key Point.
4. Keep your language simple. Explain technical or complex concepts.
5. Remember that a picture tells a thousand words. Consider using photos or charts to illustrate key points, for example, a product overview, a list of customers or how your IP works. Have these prepared as a flip chart or multimedia presentation.
6. Go back over your answers and fill in any information gaps or grey areas. Take the time to research up-to-date figures, dates, or forecasts.
7. Fine-tune your answers for each Key Point and develop these into two or three sentences per point.
8. Look at the flow of the overall story. Re-order your Key Points in a way that best explains your unique proposition. What are the key things you wish to say? Make sure these are the first areas you cover.
9. Once you are happy with the ordering, you can practice telling your story. Use your Key Points as a basic script or notes.
10. Refine your story. Make sure it flows. Do you have the most important points at the start? Does your audience get a sense of who you are, what your product/service is and why your business is really special?
11. Make your presentation lively, interesting and compelling. Remember that you need to win the hearts and minds of your audience.
12. Practice telling your story to others. What is their response? Where do they ask for more information or clarification? Is there anything that they don't understand?
13. Continue to seek feedback to refine your story. The more you tell your story, the more comfortable you become with its flow and the better your final delivery where it counts.

Use the Story-telling Tips (over) as a final checklist for your pitch.

Essential information that sells

These Key Points set out the most appropriate information to include in your presentation. While each business story is unique, they all still need to communicate essential facts and figures to prospective investors and other interested parties.

You won't have time to address all the points in detail, but try to touch upon most of the headings with at least a sentence or two. No matter what points you choose to include or discard, make sure you have covered the basics:

1. Who are you? What are your credentials?
2. What is your business? What makes it special?
3. What is your technology? Why is it different?
1. **Establish Your Credibility**
 1. Who are you (for example your name, your profession and where you are from)?
 2. What is your background and expertise? Establish that you have first-hand knowledge of your target industry.
 3. Who are your key management people? Who are the people on your Board?
 4. What benefits (eg, industry understanding, technical knowledge, etc) do they bring to the team?
2. **Describe the Product or Service**
 1. What is your product or service? What does it do?
 2. Why do your customers care that this product/service exists? How do they benefit from using your product?
 3. Does your product exist now? When will it exist? (see point 10 Provide a Vision of the Future)
3. **Sell Your Technology**
 1. Why is it special? Why is it different?
 2. Who invented it?
 3. Do you have any patents?
4. **Describe Your Customers**
 1. Describe your customer profile (or the main customer groups), now and in the future.
 2. What are the specific customer needs or market circumstances that led you to start your business?
 3. How many customers do you have now? (If they are large business customers, who are they?)
5. **Identify Important Alliances**
 1. Have you any important alliances with major players? What are they?
 2. What benefits will they bring?

6. Explain The Alternatives Your competitors

1. What distinguishes you from your competitors?
2. Why do you win a sale ahead of competitors?

7. List Your Accomplishments

1. Describe the important milestones your business has achieved for example, new deals, new business partnerships, industry or other awards, etc .

8. Tell Us The Numbers

1. Mention sales volumes, current revenues or other key numbers. Explain how your business will generate revenue and profits in the future.

9. A Bit Of Your History

1. When was the business established?
2. What stage is it at a start-up, early growth, well established ? Has it achieved any venture capital funding?

10. Provide A Vision Of The Future

Here's your chance to take your audience on your journey of success:

1. Where do you want to be in one year? In five years?
2. How much of your product/service can you sell in one year? In five years?
3. What is your total market size? In units? In dollars? Don't generalise. Provide a realistic estimate.
4. How will you grow the company?

11. Provide An Investment Summary *Optional*

1. What is your need for capital? What will it fund?
2. How much is required and when?
3. What are the benefits for the investor?
4. What are possible exit strategies for the investor

Bring your pitch to life

Here are a few basic reminders about telling your story. One of the major things we forget when we are producing any type of business presentation is that business is very much about PEOPLE.

You are presenting your company (and people) that provides a product or service (for people) to prospective investors or other interested parties (yep – and they are people too!). Make sure your presentation passes the 'people-test'. Keep it as lively, interactive and human as you possibly can.

Keep It Simple

Use simple, easy to comprehend language and avoid jargon or techno-babble. Although you know your product or service inside out, your audience may not. If you need to use a complex term, explain it first in clear, simple words.

Establish your credentials

Make sure you explain who you are, why you launched the business and what your product/service does in the first 60 seconds of your pitch.

Is it believable?

Don't make ambit claims. Sweeping statements like 'world-first', 'Australia's only' or 'a billion dollar world market' are mere puffery, waste valuable time and communicate very little real information.

Use pictures & charts

Often it is simpler to illustrate a point or describe a concept with a picture or chart. If you are getting too caught up with lengthy descriptions, try drawing a flow chart or listing key points in a diagram. You can present graphics or charts using a flip chart or multimedia presentation software like Microsoft's PowerPoint or Macromedia's Director.

Stick to your key points

Aim to focus on no more than ten key points, with two or three sentences for each point. Suggested topics are listed in the Key Points section.

Double-check your claims

If you are quoting numbers (customers, sales, revenues, valuation approximations) make sure these meet the sanity check and are not based on fiction or wishful thinking. Make it absolutely clear whether you are talking about actual past achievements (for example, customers who have actually bought your product) or future expectations.

Listen to feedback

Road-test your story. Present your pitch to different audiences, listen to their feedback and fine-tune the presentation.

Fleshing out your story

While your pitch should sell your company and its future success story, you don't have time to provide some of the further details that your audience may wish to review later. Although supplementary information is not mandatory, it is strongly recommended if you have the opportunity to present it.

Put together a simple presentation folder or spiral binder containing some or all of the information below and distribute this to your audience.

Brief overview of the company

Provide a brief overview of your company. The most important questions are, when was it established, what is its ACN and where is its registered business address?

Name of accountant

Provide the name, address and phone number of your accountant (and/or of other professional advisers, such as your lawyer) in the event that potential investors would like to conduct a reference check.

Board and management team backgrounds

Provide brief background notes on each Director and your key management team – for example, what are their university qualifications, what companies have they worked for in the past (and when), etc. (Maximum length: ½ a page per person.)

Customer lists

List major and well-known clients, and provide a contact name and phone number for each, to permit reference checking if required. (Maximum length: ½ a page.)

Product/Service brochures

Include any relevant brochures or product descriptions.

Press clippings

Include any press clippings or publicity about the company.

Start spreading the word

Enjoy the experience of preparing and presenting your story. It is something that you will find yourself using and refining every day.

Simply being in business means that you will have to tell many business stories. Use this guide as a basis for formulating your presentations. And always use feedback and intuition as a basis for tailoring your pitch to suit each different audience.

Need some help?

Our team of consultants bring with them a range of experience and expertise in managing, directing and advising successful businesses, predominantly in the high tech and new economy sectors.

We are happy to provide advice and assistance on any matters raised in this guide.

For more information, email richard@howittco.com.

This guide and its partner document, [A Guide to Preparing a Capital Raising Business Plan](#), can be downloaded from our web site at www.howittco.com