

# Pitching

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# practica.vc

# of funds

**2**

Under management

**€ 24m**

# of investments

**40+**

Stage focus

**Growth  
Series A  
Seed**

Industry focus

**Generalist**

Geography focus

**Baltics**

Value added

**Startup.It**

Awards

**PRIVATE EQUITY  
EXCHANGE  
&  
AWARDS**

2016 **RISING STAR**





## EVERYONE IS LYING TO YOU

They say you shouldn't ask your mom whether your business is a good idea, because she loves you and will lie to you.

This is technically true, but it misses the point. You shouldn't ask **anyone** if your business is a good idea. It's a bad question and everyone will lie to you at least a little. It's not their responsibility to tell you the truth. It's your responsibility to find it.

## IT'S WORTH DOING RIGHT

Talking to customers is one of the foundational skills of both Customer Development and Lean Startup. We all know we're supposed to do it, but nobody seems willing to admit that it's hard to do right and easy to screw up.

This book is going to show you how customer conversations go wrong and how you can do better. It's a quick, practical guide that will save you time, money, and heartbreak.



Rob is a tinkerer and tech entrepreneur who has been driving perfectly good companies out of business since 2007.

Previously a shy techie and official winner of the World's Worst Salesperson award, he picked up quite a few bumps & bruises learning to talk to customers. The lessons are here, boiled down into practical, actionable tips based on extensive work with early stage companies through [foundercentric.com](http://foundercentric.com).

THE MOM TEST

Rob Fitzpatrick



# THE MOM TEST

How to talk to customers & learn if your business is a good idea when everyone is lying to you.

Rob Fitzpatrick  
a [foundercentric.com](http://foundercentric.com) book



# Advise to you today

- **Think about what opportunity do YOU see**



# Advise to you today

- **Think about what opportunity do YOU see**
- **Find problem that customer has (not you)**



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- **Listen (learn to shut up)**



# Advise to you today

- **Think about what opportunity do YOU see**
- **Find problem that customer has (not you)**
- **Listen (learn to shut up)**
- **Deflect compliments, anchor fluff, get past opinions**

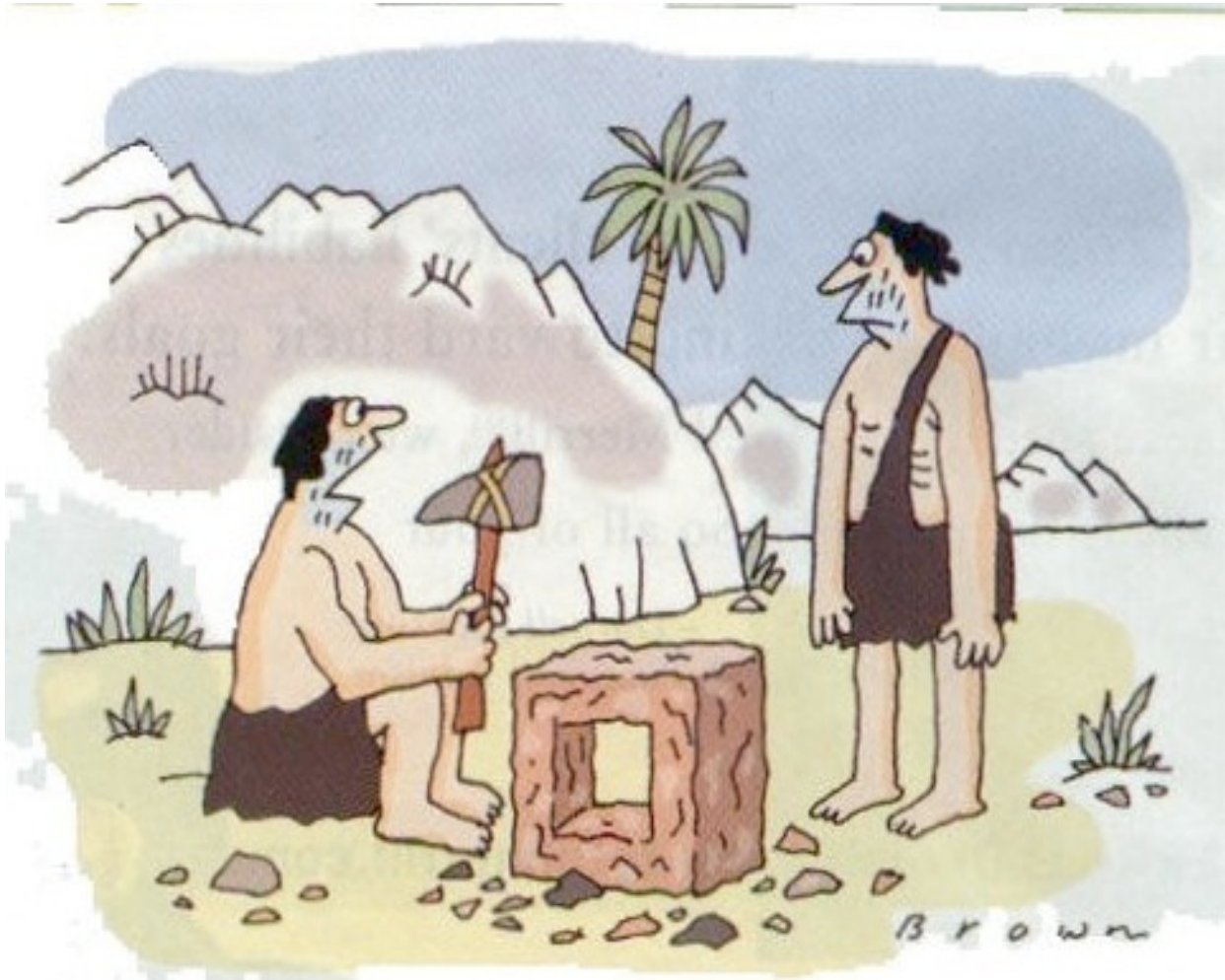


# Advise to you today

- **Think about what opportunity do YOU see**
- **Find problem that customer has (not you)**
- **Listen (learn to shut up)**
- **Deflect compliments, anchor fluff, get past opinions**
- **Take the driver's seat**







***“I call my invention ‘The Wheel,’ but so far I’ve been unable to attract any venture capital.”***

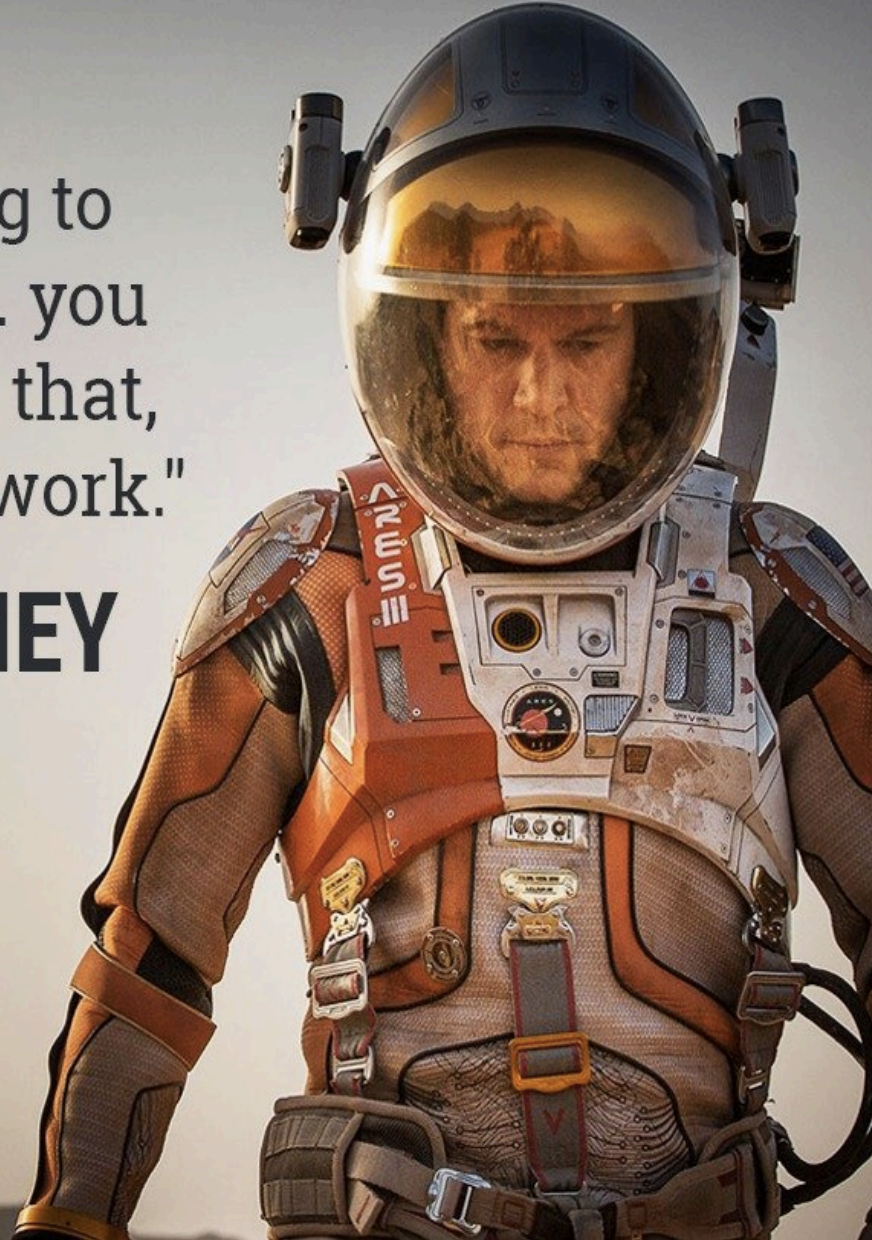




“ At some point,  
everything's going to  
go south on you ... you  
can either accept that,  
or you can get to work.”

– **MARK WATNEY**

as played by Matt Damon  
in the movie “The Martian”





# Advise

## 7 word pitch

- Describe your vision in seven words
- Begin and end pitch

## Elevator pitch

- Up to 30 seconds to explain what you do in a clear manner
- In many pitches 10 minutes goes by and you still do not get

## Pitch

- Less is more
- 10/20/30 rule
- Tell a story
- Practice practice practice and know what will you be evaluated against

## Q&A

- Thank for the question
- Answer fast and precise, do not go into details



# Structure

## **Title**

This is my company and this is what we do, contacts

## **Problem/Opportunity**

This is about your customer's pain or opportunity, not yours! Distinguish between pain and pleasure, problem and feature.

## **Value proposition**

Describe how you alleviate this pain and the meaning that you make. Ensure that the audience clearly understands what you sell and your value proposition

## **Underlying magic**

Describe the technology, secret sauce or magic behind your product or service! Stuff that won't work: we believe... We have a patent... First mover advantage...!

Stuff that works: industry expertise, phd, advisors, be in check with reality, show demo



# Structure

## **Business model**

Explain who temporarily has your money in their pocket, how you are going to get it! Use simple, proven business models, such as sales, licensing, advertising, sponsorship, affiliate fees, and upgrades to additional features and services.

## **Go-to-market plan**

Explain how are you going to reach your customers

Viral is goal, not a strategy

Established contacts, email database, testes user acquisition channels

## **Competitive analysis**

World is existing without your solution, they are solving the problem somehow today.

Everything that solves the problem today is your competition.

By saying there is no competition you are addressing a non-existent market, do not know how to use internet, did not speak to your customers



# Structure

## **Management team**

Describe the key players on your management team, board of directors and board of advisors, as well as your major investors!

Show that your backgrounds are relevant to the market that you're serving and the technology that's necessary to build!

## **Projections and key metrics**

Depending on a stage, provide a foreseeable future financial forecast containing not only dollars but also key metrics, such as number of customers and conversion rate.! Think about KPIs, roadmap and funds needed to achieve that, think about staging, bottom-up forecasting, applying industry's metrics!

## **Current status, timeline, accomplishments**

Explain the current status of your product or service, what the near future looks like and how you'll use the money you're trying to raise.





# Your deck structure

**Product**

**Customer**

**The Deal**

**Customer Value Proposition**

**Sustainability**

**Cost Structure**

**Revenue Streams**

**The Team**