

Module 3. Entrepreneurship presentation

Unit 3.1 Elevator pitch

If every time someone asks about a particular start-up, it takes 30 minutes to explain, then we are facing a common dilemma for entrepreneurs: not knowing how to clearly and convincingly present the business. For that reason, in this module we will deal with this topic.

A strategic and effective start-up presentation cannot be improvised at the moment.

In this sense, the elevator pitch is a clear example for this. What would happen if, when getting into an elevator, an entrepreneur meets the investor he/she was looking for for the start-up and the only time available for selling he/her idea is the elevator ride time? Not having a good pitch or speech at that moment would mean missing the chance of their life, right? Well, that cannot happen!

In general, two out of three entrepreneurs do not know how to prepare or give a pitch that would achieve its goal: to arrange a second meeting for exploring the opportunity in more detail. For this reason, we always have to be ready.

This concept was born first with economic bubbles in the 80s, but it became known mainly due to the Internet bubble, in the 20th century's last decade with the dot-com bubble and the technological based companies' explosion, companies with a great growth potential. It became trendy in New York and it was commonly used in the city's skyscrapers where the venture capital funds' offices were located, on the last floor.

The elevator pitch is a verbal, concise and trained description about a start-up, company, business plan or project, which enables anyone to understand what a certain company or plan does or wants to do, by using the time spent on an elevator ride, or within a maximum of one or two minutes.

Some basic characteristics in the elevator pitch are the following:

- it should be a "conversation";



- it should be brief;
- it should use every day, daily language;
- the pitch should be adapted to the audience.

The pitch's main goal is to catch the recipient's attention and interest, so that he/she might want to know more about the value proposition you are communicating. Therefore, we should take the following into account:

- The pitch is not about selling a product or service. It is indeed about selling opportunities and future benefits.
- The pitch must have a "hook" for catching and retaining the listener or the audience's attention.
- People's time and attention span are more and more limited.

Types of pitch

The pitch can vary in relation to the recipient to whom you are targeting the speech. It is not the same to talk about an idea with a customer, an investor or a partner, since you should prepare different content, information and offer for each of them. But, what type of information should we prepare for each audience? Let's see one by one:

- **For customers (closing, sales or demo):** a pitch for customers should clearly show the product's characteristics and, mainly, the value proposition. A customer that listens to a pitch should not doubt that his/her problem will be solved and should know what the solution is about. Likewise, the pitch should expose the reasons why the idea is different to the competitor's and why should the idea be chosen above others, that is, what is exclusive to this idea, what makes it better than the competitor's one.

Whereas, the presentation should not include, in this case, hard data, statistics and projections, since the customer is not interested in knowing what is needed or how far the business tries to get.

- **For partners:** when a pitch is prepared for partners, it is necessary to show them how you are going to make money together, besides exhibiting a clear and realistic growth strategy. This can be achieved if the entrepreneur's records are favorable, by showing them some hits achieved so far, as a proof that they are being offered a good alternative. For their part, partners are not interested in knowing the whole history in detail, how the organization got here, nor the business' characteristics in detail, or the details about the customer traction so far. Anyway, each case with a partner is different; the best thing is to think of a pitch that would attract attention for building a bond of trust.



- **For investors:** when you introduce yourself to a group of investors, the pitch cannot omit information about the team that is behind the business you are offering, since it will be them who then will help running the project and it is necessary to show them that the team is reliable. It should be remembered that for achieving an extraordinary result, an extraordinary team is needed. Investors know that, so it will be useless to ignore the team behind the business.

But, in this presentation you should also include the expected growth plan and the exact needs to solve, so that investors can estimate the business' situation and know if it is advisable for them to invest or no in the project.

With this panorama, the goal is to give precise and important data and not separated data that might confuse or partialize the business. There is no need that investors believe that the project will change the world or that is incredible innovative; investors already know that the entrepreneur's intention is to convince them. It is important to know what money is needed for and not to ask for it and then decide where to use it. It is very important to show the value that will be behind the money.

Finally, the decision should not be left in their hands, that is why they should know that the entrepreneur is tenacious and determined enough to get what he/she needs and to make his/her project successful, without depending on them in the case they decide not to invest.

The ideal pitch: structure, pitch canvas and advices for a memorable content

As every presentation, the pitch has a speech and argumentative structure that must be known, since it will be very useful when in need of elaborating an elevator pitch. Below, we will see how a pitch is structured in ten steps, according to Guy Kawasaki (2015 b). We will follow the example of a value proposition specialized on medical consultation by the Internet.

1) Introduction: it should be short and memorable, a vision about the start-up and the world in the future. For example, "in the future, all doctors will be on the Internet".

2) The problem: a discovered opportunity or a problem to solve, from which a solution is created. It is important to explain the pain level the problem implies for customers, to share the "pain points" that are detected and not the business opportunity. For example, "people don't like going to the doctor, they have problems in choosing an appropriate health professional".



3) The solution: the personal vision about this. It has to be touching and memorable, first level. Many times, it answers the following question: why now? It should be filtered out; it should not be long, but tangible. For example, “the start-up is like a partner that understands and is next to customers in an x situation”.

In this sense, a good technique is to compare the solution making analogies in a group of existing similar solutions.

4) Technological property (experience, ability): it establishes the solution’s main characteristics. It should be clear and concise, without going round and round. For example, “it is a web platform, a mobile application, etc.”

5) The market: you should define the specific market segment, from top to bottom, that is, from a total market that has a need or problem until the most easily reached and available market with the value proposition. The opportunity should be explained from bottom to top (from smaller customers to the biggest). For example, “people that are 16 to 65 years old who use the Internet”.

6) The business model: this aspect should be explained in the clearest way. There should be no doubts on how will the business make money; which are going to be the strategies to capture customers, which marketing and commercialization strategies will be applied, who will be the partners, etcetera. There should be an intention of not explaining it with prices, but with economic units. Complete the “equation”. If possible, explaining it with graphics would be great. For example, “doctors that work on private offices will be charged with a month fee according to the benefits they receive. We will have a target A premium of \$X and a target B of \$Y. That amount will be paid through a payment platform by month with a credit card”.

7) Competitors: competitors are always there, they should be recognized!

8) Going to market: How do you think going to market? How are you going to increase the amount of customers and users? Which resources are you going to use? Through which channels are you going to communicate your value proposition? Which is going to be the strategy for capturing more customers in the less time possible and with the less possible money?

9) Team: Who will carry out this plan? People involved and the ones who collaborate also, for example mentors. It is important to highlight why people that are part of the business are the best ones for this challenge, which is the experience and previous knowledge that makes them suitable for this start-up.

10) Call to action: sharing what is being done with the audience, what is expected from them and, if it is money, how much is needed to carry out the business, and what it will be used for and in which period of time. For example, year 1: 100 000€, year 2: 250 000€. For that investment, the business is ready to give 20 % of the company in exchange.



For planning the presentation properly, it is necessary to pay attention to several factors that surround and integrate the speech. Completing the pitch canvas will be a very useful complement for considering all variables, mainly if you take into account the public you will target.

Figure 1: Pitch canvas for planning a presentation

Pitch Canvas	Business idea:	Date:	Time:	Recipients:	Iteration:
	In charge of pitch:	Place:	Duration:	Authors:	

Analysis	Interlocutor To whom will I pitch?	Pitch structure	Presentation Who does the presentation? Name of the project? How long has the company/project existed?	Opening What is the hook? How to break the ice?
	Goal What do we want to win?		Customers Who are they? The product/service will be solved/sold to whom?	Problem/ Opportunity What is the problem they have? What is it painful? What do they need? What do we try to solve?
	Context Characteristics of the place, resources, technicians, number of listeners, who are the listeners, etc.		Solution How will we solve the problem? What shall we do? Which is our proposition? Which is the value proposition? Is it innovative?	Benefits Which are the benefits that our solutions provide for our customers?
	Organization Pitch time, order to do the presentation, materials load, language, etc.		Business model How are we going to make money? What is the way of generating income? Is it steady and/or does it rise in time?	Team How is it formed? Which profiles does it have? Which achievements and merits? Have they made a project together before?



				Do they have mentors, consultants?
			Closing What is the pitch goal? What is the call to action? What do we need? What will people have in exchange for their decision to collaborate, help, invest, support? What is the final impact? What will be memorable?	

Source: own creation

Working with this canvas is an advantage for not giving room to improvisation. Although we always suggest the pitch to be as relaxed and transparent as possible, to reflect the company's personality, conferring logic to the discourse will help you to present more convincing and clear arguments.

Let's think, then, about which are the essential contents that should be included.

- **Who is the entrepreneur?** The first thing you have to do in a presentation is to introduce yourself. Tell about who you are, how you got there, what is the company's background (how did partners meet, how did they discover the opportunity, what drove them to be an entrepreneur, etc.) and everything that is considered relevant for reflecting the company nowadays.
- **Hook:** use a strategy to seduce the public and call their attention. It could be interesting data as "did you know that 1 person out of 10..." or asking the public if they have a problem or if they have ever experienced x situation.
- **What problem have you spotted?:** based on all the work done for finding the problem-solution fit, it is very important to stop and explain the problem or need that was identified on customers and to justify the decision of attacking said problem.
- **What solution was found for that problem?:** review the previous prototypes and analyze the notes made in the iteration (or pivot) process for delimiting the best definition for the solution you will present. The proposition is already defined and validated. You should only find the best way to state it for it to be convincing and attractive and including results of validations made, for example.
- **What is necessary?** (At the team): it is necessary to know exactly what the team needs and for what. Here there is no room for hesitations or doubts. No one will trust in the proposition if it does not correctly express what and how much is needed or for what it will be used.



This list is not complete here; it is possible to include other aspects that would highlight the pitch content, according to what the entrepreneur considers relevant for his/her recipients at the moment.

It may seem impossible to incorporate all this on a pitch that also, should not last more than 2 or three minutes! We will talk about this later. But, if the pitch is well structured and the entrepreneur practiced it many times, it is feasible. The important thing is to design it, adapt it to each public and practice it once and again for improving it.

In short, if you take the following advices into account, it will surely be simpler to prepare an effective pitch:

- **Apply the tweet test:** if expressed in a few words (140 characters), the business is clear, then it is a good start.
- **Focus on the relationship:** connect and empathize with the audience, looking them in the eye, telling a story that would be memorable, using language your public could understand.
- **Make it relevant:** think about what might interest the public about the proposition and focus on catching their attention with information they do not have or through creative and clever resources. Adapt the pitch to each specific public.
- **Show passion:** this is essential. The entrepreneur and team's passion is the thing that will hold the whole project and, therefore, it is crucial that the public perceives it. Anyway, passion should not leave the topic's knowledge and work aside, but talking should be made with the heart without forgetting about the reason. Transmitting trust, leadership and management ability, ability for taking risks, commitment and focus on the start-up and fascination for what you are doing are very important features in the pitch.
- **Be clear:** as we expressed before, reason and topic understanding should prevail in the speech. Practice with other publics, with friends or strangers, paying attention to their understanding of the proposition. This will help you to polish the definition and look for the adequate explanations. None of the canvas aspects can be left free for the public interpretation. Anyone, and everyone, should exactly understand what is being proposed, without suppositions.
- **Ask yourself if is memorable:** the best effect you can produce on the public is that they remember the proposition on other different occasions. An anecdote, a piece of information, an innovative speech; look for a resource that makes it unforgettable.

Making the pitch casual and close is basic for conquering the public.

The support presentation with the "ticktack" that moves forward



It is worth mentioning that the support tool chosen for the proposition presentation is irrelevant in comparison with what you have to tell. It is only a support tool, which complements and graphs the speech and, for this reason, you should consider that:

- The essential thing on stage is the voice and the presence, as well as the idea that is presented.
- People do not attend a presentation for reading, but for listening what someone has to tell. The crowd will be enchanted. Therefore, neither the presentation should have significant information nor the entrepreneur should explain each slide or segment on the support presentation.
- Options for creating the presentation are several: they go from PowerPoint or the PDF to Prezi, Canva, and others, even though it is possible simply to get support on a banner or poster.
- In any case, with the speech you can use simple graphics and big images with little text, so that it is completely necessary to hear.
- Kawasaki (2005a) recommends the PowerPoint rule of the 20/10/30 for the presentation. This is as follows:
 - Ten slides for explaining the business that would include “the following topics:
 1. problem;
 2. your solution;
 3. commercial model;
 4. underlying magic/technology;
 5. marketing and sales;
 6. competitors;
 7. team;
 8. projections and hits;
 9. status and timeline;
 10. summary and call to action “(Kawasaki, 2015a, <http://bit.ly/30nFHSS>).
 - **20 minutes** (maximum) is what your presentation should last. In this sense, Kawasaki (2005a) states that, although you generally have an hour slot for these meetings, there are always contingencies to solve and, ideally, you will have 40 minutes left for discussion.
 - **30 points** is the font size. Even though it is a bit big, Kawasaki (2005a) pretends that the amount of text is reduced in the slides, since this can distract the audience and shows that the entrepreneur does not have a deep knowledge about the topic he/she is talking about. He also pretends that entrepreneurs are focused on key concepts they need to transmit and perfectly explain.



- As a complement for the previous concepts, you can take advantage of Pictoline's wisdom.

Some advises that might be helpful:

- Generate **empathy** with the public that is listening: be more emotional and personal. This will make your idea more powerful. Win the crowd's heart!
- Tell a good **story**: tell a story that would develop, that would be easy to follow and remember and that it would take the public to feel the problem.
- Be picky with words; deliver a speech that would be understood by anyone, that everybody would get it.
- Give value to public's time: the attention span is not longer than 30 minutes, so you should be brief and transmit only key messages.

In relation to times, if we have a period of 150 seconds for the pitch, we recommend to distribute seconds as follows:

Table 1: Timed pitch structure

Presentation	Hello, my name is [name of pitcher]. Our project is [name of the project] and we are a group made up by [enumerate profiles or backgrounds, experiences and team qualifications] 15 sec.	15 sec.
Opening	Did you know that [funny story]	15 sec.
Public	That is why [define who would be the customers] look [explain how you solve the problem today]	20 sec.
Problem/Opportunity	The problem is that [define the problem to solve]	25 sec.
Solution	That is why, with our Project we want to [explain the solution] for allowing you to	25 sec.



	[enumerate essential benefits]	
Business model	The way we generate income is by [describe the income model]	25 sec.
Closing	What we need for carrying this out [describe the request] and we are sure that you will get benefits because [describe benefits]	25 sec.

Source: own creation

This chart is useful for outlining speech. It can be adapted to the approximate amount of time available for the exposition.

Finally, it is important to remember that body expression also communicates. For controlling anxiety and getting the desired effect, many people need planning. A way of rehearsing is by recording yourself or using different resources or tricks that can help you when delivering the pitch.

Always look the audience in the eye. Remember that what you decide to project is just for going with the speech. What matters is what you say and how you say it.

Some authors recommend implementing the NABC model for the elevator pitch creation.

This model suggests asking questions related to four important aspects:

- N - needs
- A - approach
- B - benefits
- C - competitors

N - needs

Which are the existing needs or problems? To whom they affect and which is their level of importance?



A - approach

How does the idea/project meet these needs or which solution does it offer to the problem?

B - benefits

What is the value proposition? What does the solution offer?

C - competitors

Who are the competitors? Are their solutions the same or similar to the proposition? Why can the alternative proposed be considered better than the other options?

The answers to these questions will be the input for the creation of the elevator pitch. (García, n. d., <http://bit.ly/3t40vuK>)

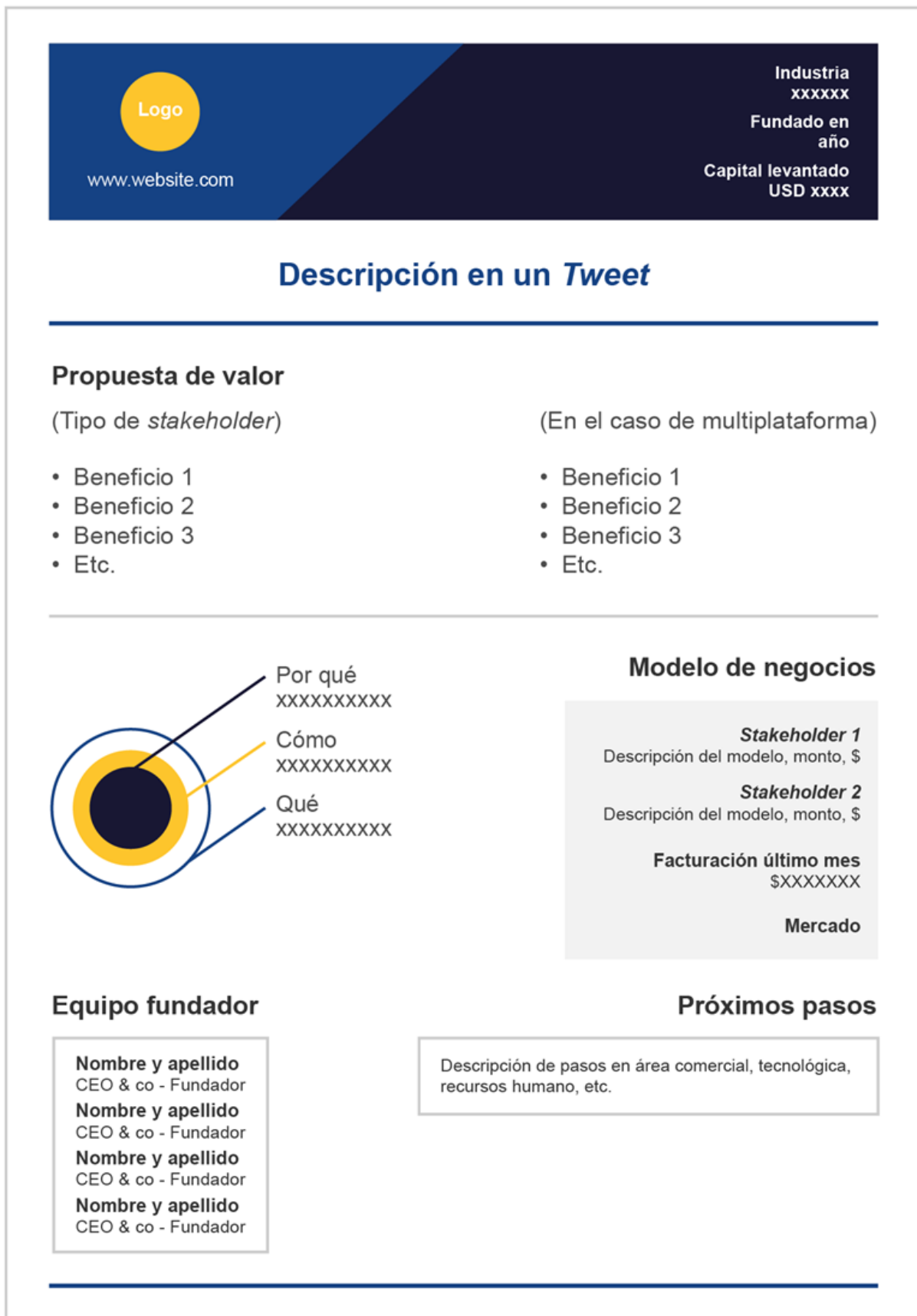
Unit 3.2 One pager or deck: presentation à la carte

One pager is a one-page document whose function is to express the business model essence, it presents the key issues in a short document, that is to say, it only uses those words that accurately express the proposition and it removes silly information.

Designing a one pager is a great creativity exercise, since it has to transmit, in a limited one page, the approach, the strengths and the business differences for catching investors, customers or partners' attention.



Figure 2: One pager template for presenting the business model



Source: own creation



Industria XXXX Fundado en año Capital levantado USD XXXX	Industry XXXX Established on year Capital raised USD XXXX
Descripción en un Tweet	Description on a Tweet
Propuesta de valor	Value proposition
(Tipo de stakeholder)	(Type of stakeholder)
Beneficio 1 Beneficio 2 Beneficio 3 Etc.	Benefit 1 Benefit 2 Benefit 3 Etc.
(En el caso de multiplataforma)	(In the case of multiplatform)
Beneficio 1 Beneficio 2 Beneficio 3 Etc.	Benefit 1 Benefit 2 Benefit 3 Etc.
Por qué Cómo Qué	Why How What
Modelo de negocios Stakeholder 1 Descripción del modelo, monto, \$ Stakeholder 2 Descripción del modelo, monto, \$ Facturación último mes \$ XXXX Mercado	Business model Stakeholder 1 Model description, amount, \$ Stakeholder 2 Model description, amount, \$ Last month billings \$ XXXX Market
Equipo fundador Nombre y apellido CEO & co – Fundador	Founding team Name and last name CEO & co - Founder
Próximos pasos Descripción de pasos en el área comercial, tecnológica, recursos humanos, etc.	Next steps Steps description in the areas of commerce, technology, human resources, etc.

This document is used a lot for being presented to investors, since, when well designed, it helps them to get an clear idea of the business by doing a quick reading, that is why it should be clear, reliable and believable. Besides being designed as a first filter in the



investment process, it is also one of the best tools that can be used for explaining the business to any stakeholder.

The more the business evolves, the better quantitative information can be included in the one pager or in the elevator pitch, which means that you can clearly show the project's scalability.

Let's see now how can a one pager be written and what information must be included in this kind of business card.

1) Highlighting/Headline: logo, name of the company, contact information and a description that defines the start-up in a phrase.

2) The value proposition: first, explain to which public it is targeted and then enumerate the benefits offered with the value proposition.

3) Business model: according to figure 3, communicating what will be done to solve the customer's problem after detecting his/her pain points or needs, the way how it will be done and why it is convenient to do it. In this block, you should include economic and financial data that is managed and required for implementing the proposition; you can include the amounts that your stakeholders need for making decisions. It is no more than explaining how money will be earned. If the project is on an advanced stage, rather than including separated data, you can include a good financial projection, with a sales prediction and costs in the mid-term.

4) Team: introduce the people who are together in the challenge, with additional information about the experience and training they have and the role each one has in the start-up. This will show that they are well organized and, if they do not cover all the areas, the profiles that are not covered should also be included to show that they are aware of the lacks.

5) Next steps: finally, transmit the short and midterm vision in which you include the actions that will be applied in the future, or actions needed, like next steps in the area of commerce, technology, human resources, etc.

It is important to remember that this document should show the business essence in a clear and synthetic way, since there is no always an opportunity to extend the presentation to the people you are trying to conquer. What they receive should be so interesting and appealing to arrange a meeting.

On the other hand, the investor deck is a longer presentation with more information, in case the investor asks for it. It is important to understand that experienced investors will ask this document, or you may send the one pager firstly and then the deck with more information.



The deck has the same information as the pitch, but in more detail, since, in this case, the investor will read the information, this will not be presented. Then, you can use a smaller font, with more content in each slide, but it should also be short, with a maximum of 10 and 15 slides.

The content will include the following information:

- Slide 1: start-up logo and slogan in case they have it.
- Slide 2: spotted problem or opportunity.
- Slide 3 and 4: solution in detail (with images).
- Slide 5: business model.
- Slide 6: current traction (number of customers and monthly billings).
- Slide 7: market size.
- Slide 8: growth strategy.
- Slide 9: hits, achievements up to today and timeline (next steps).
- Slide 10: team.
- Slide 11: thanks and contact information.

References

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