

6. Pitching for entrepreneurs

Personal business and enterprise skills

Communication and pitching skills for entrepreneurs

An idea is only good if it is applied and is successful. This requires investment and eager customers, who are engaged and persuaded through pitches that create emotional engagement. This is a distinct skill from presenting facts and one that any entrepreneur needs to develop alongside their technical skills and understanding.

Pitches create emotional connections

Every entrepreneur starts with an idea. Successful entrepreneurs persuade others of the strength of the idea in a pitch – a presentation to potential investors or other groups.

Pitches build emotional connections that influence the audience towards a specific outcome, for example, investment or sales. They tell a compelling story that persuades people to come on board and help make their future vision a reality.

A successful pitch starts by understanding what emotional connection you need to create, and what compelling story will draw your audience in and build this connection.

Audience	Connection	Story	Goal
investors	financial and transformational opportunity	future return on investment and effect on world	financial investment, expertise
employees	problem-solving and career-development opportunity	career success and earnings, effect on world	hire key talent
partners	mutual commercial advantage	contribution to their own success	help to develop idea, access to markets
customers	new value, greater success	improved performance and outcomes	sales

In every case, the connection and story are not purely financial:

- Investors may also want to create a positive difference in the world.
- Employees will seek personal development opportunities as well as income.
- Partners may also want to transform their markets.
- Customers seek a wide range of positive differences in their lives or operations.

These emotional reasons to be part of your vision are what distinguish a pitch from a presentation, which communicates facts and data to make an objective decision.

Check your understanding:

1. Identify some specific non-financial reasons that might attract an investor.
2. Suggest why a pitch to attract key talent may not divulge details of the underlying technology and what the entrepreneur might do to protect their intellectual property.

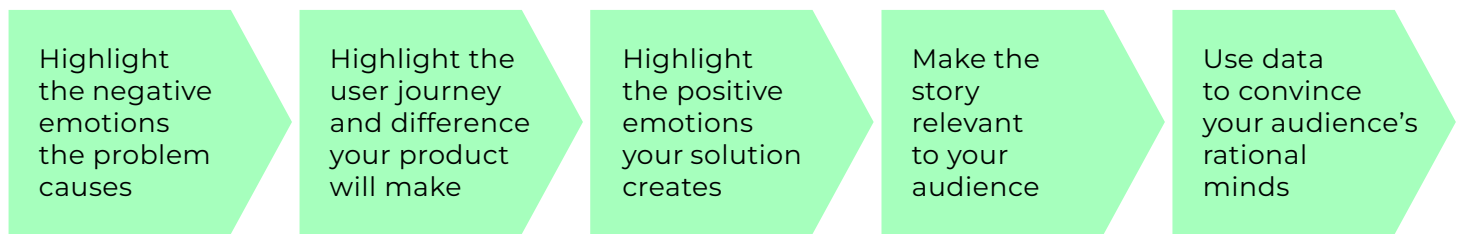
High-quality pitches tell a story

Daniel Kahneman identifies two decision-making processes in our brains: System 1 is emotional, intuitive, and fast, while System 2 is logical and rational, but slower. **An effective pitch makes your emotional case first and then uses facts to 'seal the deal'.**

This starts with your mission and vision. A strong opening to your pitch poses a big 'What if?' question that suggests a better future is possible, before making your emotional case:

- What if you could lower your costs by 20%?
- What if we could improve diagnosis time by 40%?

Stories best convey emotions: movie and TV audiences are drawn in by characters they can relate to and storylines that build excitement. High-quality pitches do the same, using emotional and persuasive language to do this.



You may start with a passive or sceptical audience. Emotional and persuasive language converts these emotional states into positive arousal and agreement, for example:

'I think you'll agree that...'

'Ask yourself this: what if...?'

'We can solve this together by...'

Finish with a clear summary that resolves the story.

Present your audience with the specific action they can take to achieve the outcome you want.

Use handouts to provide detailed information, but only hand these out at the end of the pitch so that your audience is not distracted during your presentation.

An effective pitch story highlights areas of agreement between you and your audience, and how your goals and vision are aligned. This positions pitches alongside negotiation. **Your pitch is just the first step in negotiations that maximise your agreement and alignment for a win-win investment or sales decision.**

Check your understanding:

3. A strong pitch follows the six Cs of communication: it is clear, concise, complete, correct, coherent, and courteous. Explain the importance of each element in a high-quality pitch that works.

Personal presentation skills

Like a good script needs good actors to bring it to life, **your pitch relies on your personal presentation skills** and the impression and impact these create.

A high-quality pitch starts with preparation. **Do your homework to thoroughly understand your proposition, your technical and financial projections, and your audience.** Test your assumptions and calculations so you can present with confidence.

First impressions count. A neat appearance suggests conscientiousness and attention to detail. Breathe slowly and deeply to compose yourself before welcoming your guests. Greet them with a warm smile and confident handshake.

Pay attention to your body language, to project confidence and engage your audience:



Your responses matter. As well as pausing for effect after a key question or point, always pause before answering a question, to formulate a strong, persuasive response.

Finish with a summary of your vision, story, and solution. Remember to present your audience with the specific action they can take to achieve the outcome you want. Before you finish and thank them for listening, make sure you have answered their questions and have agreed how you will respond and by when. **A good pitch ends with clear outcomes and next steps, even if it has not resulted in immediate agreement.**

Check your understanding:

4. Explain why it is important to be prepared to negotiate and field tough questions in a pitch.
5. The next time you present, ask someone to video you. Evaluate your posture, gestures, tone, and eye contact to improve your skills.

Case study: Pitching to win

Background

You are helping a friend to prepare a pitch deck (slide presentation) to promote investment in a patent-protected device that greatly reduces waste in a common engineering manufacturing process, and which can deliver:

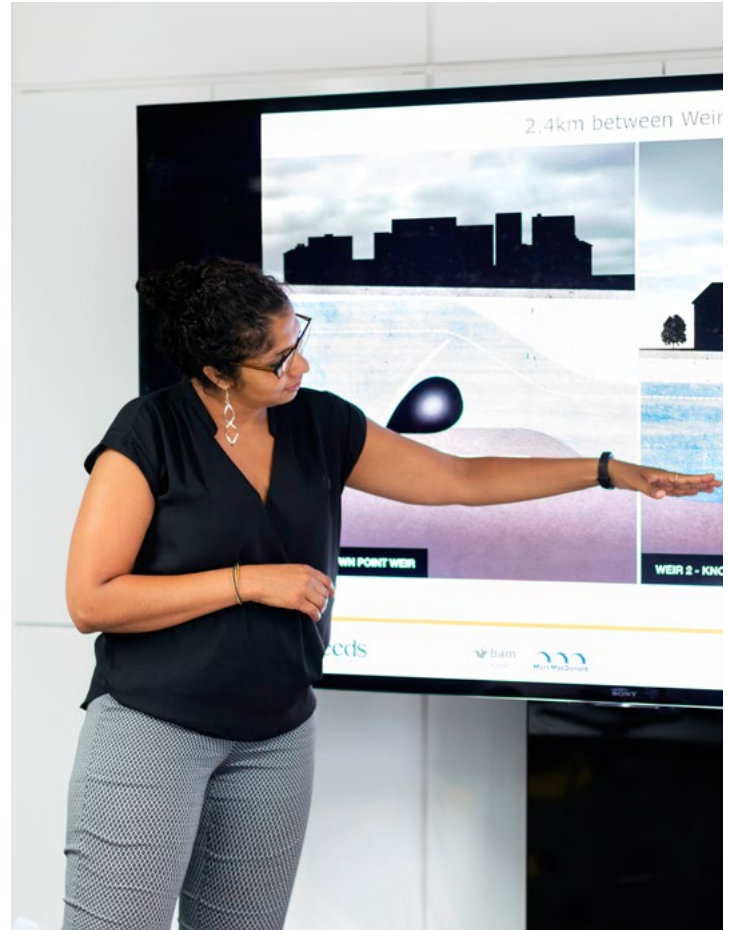
- significant waste reductions of 10–25%
- 10–25% financial savings
- lower carbon emissions
- lower raw material use.

The pitch is to an investor who only invests in innovative technologies with significant potential for scaling up and widespread impact, and who has a strong interest in sustainability as well as financial returns.

Your task

Your friend has 20 minutes to present their pitch and wants a maximum of 10 slides. They have asked you to suggest a structure for their presentation, so it tells a compelling story and creates the right emotional connection with the investor.

1. Identify what the investor will want to know.
2. Create a table to plan a 10-slide presentation. Indicate what specific content your friend should add to each slide and the best format for this content (for example, an image, illustration, chart, bullet points, etc).
3. Suggest how your friend can personalise their pitch to bring the benefits of their device to life.



Extend your learning

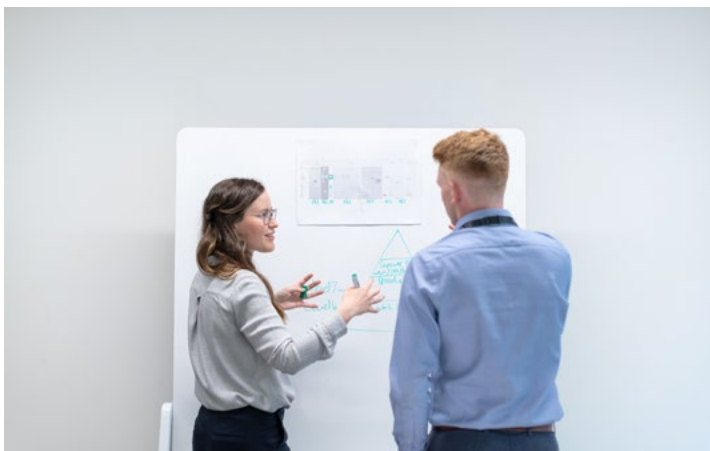
- Search 'pitch decks' online to browse successful pitch decks from real startups (many will be in the technology sector, but the principles of a good pitch are the same). Note the different ways these decks arrange their content and how they create emotional engagement, tell a story, and showcase the innovation.
- Apply these ideas when presenting an employer-led or college project.

Answers: Check your understanding

These are example answers – your own suggestions may differ.

Pitches create emotional connections

- Specific non-financial reasons that might attract an investor include:
 - an interest in promoting a certain ethical or sustainable outcome, for example, disease prevention or lower carbon emissions
 - a strategic fit with another of their investments, for example, to strengthen a supply chain or limit competitor access
 - a personal interest in the entrepreneur's success.
- A pitch to attract key talent will seek to engage their interest and showcase career and earnings opportunities, but will want to hide the details of any intellectual property that underpins the enterprise and does not yet have protection. (The interviewee could, of course, research any patents.) New employees could be required to sign non-disclosure and non-compete agreements as a condition of joining.



High-quality pitches tell a story

3.	
Clear	The pitch demonstrates the new, unique value, the investment opportunity, and the desired action.
Concise	Use as few slides and as little content as is needed to tell the story.
Complete	All key facts and financial/time projections are included.
Correct	The pitch does not promise outcomes that are unlikely or impossible.
Coherent	A clear structure engages and carries the audience.
Courteous	The wording is not arrogant or overdramatic.

Personal presentation skills

- A pitch begins the process of getting an investor on board and they will naturally push hard to maximise their stake in the enterprise. They will expect to negotiate – an entrepreneur who easily gives in to them is a risk, as the entrepreneur is also likely to negotiate with customers – and the investor will see a successful negotiation as the starting point in a positive relationship.

Tough questions are also to be expected. Investors are taking a risk and will want to understand this risk and gain confidence in the quality of the idea, the people, and the financial projections.
- Videos are an excellent way to evaluate your posture and tone, and to identify any personal 'tics' like repeated words, phrases, or gestures.

Answers: Case study

These are example answers – your own suggestions may differ.

1. The investor will want to know:

- that the idea is a real and unique solution to a real and widespread problem
- that the technology is protected from competitors
- the projected timeline to market
- projected sales, costs, and profit in the coming years
- the sustainable impact opportunities.

2. A concise, effective pitch deck might include the following:

	Content	Format
1	The scale and range of the problem	bullet point figures, attention-grabbing image
2	The big 'What if?' question that the technology will answer	text
3	Reasons behind the current problem	bullet points and images
4	What the device does differently and how the intellectual property is protected	diagram or flowchart with labels
5	The size of the market for the device	chart with figures
6	The sustainable impacts of the device	charts or bullet points
7	Timeline	timeline or table of dates
8	Financial projections	chart with figures
9	Summary bullet points of the problem, solution, sustainable impacts, and financial opportunity	bullet points
10	Information about the founders and core team	images and very brief biographies

3. Your friend can personalise their pitch by talking about the experiences of a possible customer before and after using this device, highlighting their initial costs and frustrations, and then their savings and satisfaction. They can invite the

investor to be a part of making this story possible for the hundreds or thousands of potential customers, and the aggregate sustainability impacts this will deliver.