



Entrepreneurship

Fundraising and Pitching

All business ideas need funding in order to be realized. Funding is usually coming from investors – but first, you need to **convince them that it makes sense to invest in you** and your idea! Let's see in this unit how that can happen.

Discipline area	Social Studies and Economic Studies
Topic	Inequalities and Fundraising
Estimated time	1h 30'
Learning goals	<p>If you go through the whole unit, you will</p> <ul style="list-style-type: none"> • understand what a pitch deck is • learn how to use effectively a limited amount of time for presenting your idea • get insights on what gets the attention of any given audience when presenting an idea • learn how a new business might search for funding that is needed for initial growth

Warm-up

Have you ever tried to convince someone else on an issue? Let's discuss what 'tools' you used to make it happen.

Think in silence of a situation in which you tried to convince other people of a specific issue. For example, when you asked your parents or guardians for money to buy something that you really want.

- What arguments did you use?
- Did you highlight the benefits of purchasing the specific product/service?

If it was something you wanted to do with one of your friends or relatives, did you make a request as a team? In that case, did you all speak?

Exchange and compare your answers.

Learn

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Take a look at this short presentation about **all that you need to know to create the perfect pitch deck.** It will teach you how to win over potential investors!

The need to differentiate your business



Potential investors are being approached constantly by various entrepreneurs - they hear the same arguments why they should invest in these new business opportunities. To successfully convince them to fund your initiative, you need to differentiate yourself – not just through your business idea (this is a given).



The need to differentiate your business



Get their attention through a powerful presentation on **who you are** and why they must hear you!

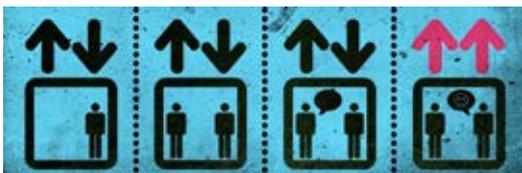
In the business world our core business is differentiated from others through what is called Unique Selling Point (USP). Your USP is why you are different and thus potentially more likely to succeed. For generating your USP you need to:

- (a) know your strengths, i.e. what you are good at: great team, good location, etc
- (b) How you are different than others: first to cater to this need, offering more quality or lower prices, only one in one location, etc.

What is an elevator pitch?



Imagine you are in an elevator with someone you want something from. You both enter the elevator on the ground floor and he/she wants to go to the third floor. If nobody else is on the elevator you have a maximum of 2' time alone with him/her.



He/She cannot leave the elevator while others may not be able to also enter in next floors. You have a window of opportunity to get his/her attention!



This is an **elevator pitch** – a presentation of your business idea to a potential investor for an interrupted period of around 2'. Thus, you need to make the best use of these minutes!

Here is what you need to be focusing on!

Who you and your team are



Many businesses can either go great or fail based on the personality and the energy of the team behind them.

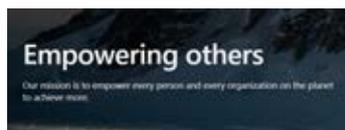
If you and your team can win the interest of the investor then it can potentially do wonders in the market you are focusing on.

Do not be shy – in a pitch you need to rely “sale” of you and your team and how great you are related to the business idea you have.

Mission Statement



Why are you trying to set up this new business?
What line of business your company will be in?
What is its purpose?



Microsoft's mission statement!



Nike's mission statement!

What your business will be doing?



Give a thorough but concise and short overview of what will you be doing:

Are you delivering a service or a product?
Which are its main characteristics?

Be specific and emphatic on your product/service!

What is your USP?



You need to highlight why it is worth hearing you more – why you are different. Think, among others, in terms of:

- ✓ Pricing – will you be cheaper from potential existing solutions to the need you have discovered?
- ✓ Quality – will you be offering something with higher quality?
- ✓ Range of products/services – is it a wider ranger that makes you better than others?
- ✓ Easiness of doing business with you – have you identified issues of easiness of doing business in other companies and you will be treating this?
- ✓ Speed – is it that you will be offering products or services being delivered quicker than others?
- ✓ Reliability – are you going to be more reliable than others?

Engage

Try to engage with the audience – do not make it just a monolog but try to get their attention.



This is most commonly achieved through the introduction of a hook, i.e. a question, a promise, something bold!



How to deliver it?

Delivery of a pitch is almost as important!



Be bold, use a steady voice and present with **confidence**. If the other part of a conversation does not feel that you believe in you and your idea, why should he/she?

Maintain eye contact and deliver the presentation with the aid of gestures – be careful not to move too much!

Stay within the time limit – this is important, people lose their interest when something takes too long!

Would you easily watch video of more than 2-3'?



Now that you went through the presentation, **think of a business idea**. You can use one of the ideas you had created with your buddy in the previous unit!

Discuss with your buddy:

What are the key elements of your business idea that differentiate you from other existing solutions to the issue you have identified? Aren't there others that offer something very similar?

Create

1

With your buddy take a look at the presentation once more.

It is now time for you to **create your own elevator pitch**.

Do not forget to cover all points mentioned!

2

At the end read and revise your presentation and practice it while checking the time with a timer – stay below 2'.

If it is too long: What information is not strictly necessary? Take the perspective of your audience: the potential investors of your idea!

Reflect

Funding can be an issue when creating a business. Discuss with your buddy possible ways of covering initial expenses, including **crowdfunding**.

What amount would you aim for and what organisation, institution or enterprise would be interested to invest in your idea?