

Getting ready to pitch to investors

The do's and don'ts of convincing investors to bet on your technology

Do's	Don'ts
<ul style="list-style-type: none"> Remember that investors' main goal is to maximize their Return-on-Investment. Show them you understand that. Show them you realize that while in your world it's 'all about the data', in the investment world it's about both, the data and financial upside. 	<ul style="list-style-type: none"> Don't come across as being 'in love' with your technology, even if you are. No matter how interesting or fancy your technology is, if it will not make money, investors will not invest. And the more in love you are with your technology, the less likely you are to listen to constructive criticism that may help make it commercially successful.
<ul style="list-style-type: none"> Be a good listener. While investors may not know your technology as well as you do, they usually have much more experience in commercializing technologies. Even though you feel/know that no one understands your technology and its potential as well as you do, go into the meeting with the mindset that investors know what they are talking about when they ask tough questions. They usually do. 	<ul style="list-style-type: none"> Don't argue with investors. Address their questions calmly and to-the-point. The goal is to answer their questions, so they feel more comfortable and more likely to invest in your technology. The goal is NOT to show them that you are smarter (even if you are). If you need to disagree, make sure you do it in a way that does not make you disagreeable.
<ul style="list-style-type: none"> Constantly keep in mind that investors are evaluating you as a person, not just your technology. During your presentation and Q&A, investors subconsciously ask themselves 'Would I be able to work effectively with this researcher for the next several years? Would I enjoy working with this researcher?' 	<ul style="list-style-type: none"> Do not alienate investors with a 'know-it-all' attitude. Since investors are constantly and subconsciously evaluating you as a potential partner, try to build chemistry with them. Don't be negative and don't be argumentative.
<ul style="list-style-type: none"> When you first start explaining your technology, use words and terms that even your grandmother would understand. Be concise. Then let the investors lead you with their questions into the 'nuts and bolts' of your technology. 	<ul style="list-style-type: none"> Don't start explaining your technology in a complicated way and using terminology that only people in your field understand. It will likely make investors uncomfortable and may even cause them to become subconsciously antagonistic.
<ul style="list-style-type: none"> If you pitch as a team, make sure that the team comes across as a cohesive and productive group. Support each other during the presentation and demonstrate that the team is synergistic and delivers more than the sum of its members. 	<ul style="list-style-type: none"> If you pitch as a team, don't contradict or argue with your team members in front of the investors. Investors prefer to invest in a cohesive team and not in a disjointed one. A disjointed team raises a red flag as to its ability to work productively.
<ul style="list-style-type: none"> Always mention the current and potential competition. It demonstrates that you know the territory you are operating in, and therefore less likely to be surprised and more likely to commercialize the technology in a competitive way. 	<ul style="list-style-type: none"> Never say 'there is no competition'. There is always current and/or future competition. Saying to savvy investors that 'there is no competition' comes across as naïve and uninformed.
<ul style="list-style-type: none"> Tell a story, not just cold facts and figures. Investors use both their brains and their guts when making investment decisions. A compelling story about your technology/startup sets the gut to move the brain in the right direction. 	<ul style="list-style-type: none"> Don't prepare an investor presentation like a grant application. It is more important to weave a credible and investable 'story' than to cram all the technical facts and data into a sprawl of slides.
<ul style="list-style-type: none"> Do dry-runs of your presentation. Remember that 'practice makes perfect'. Practice presentations in front of people who can provide constructive input regarding the content, as well as the delivery, of your pitch deck. This will make your interaction with investors more effective. 	<ul style="list-style-type: none"> Avoid walking into an investor meeting unprepared. You have only one chance to make a 'first impression'.