

The Anatomy of an Elevator Investor Pitch

The purpose of an investor elevator pitch (30 sec, 60 sec, 90 sec, 3 min or even 5 min) is to provide enough information to the listeners to get them excited about what you have to offer – not to tell your life story – especially not to endlessly talk about the features of the product or service by trying to sell it. If they are intrigued, they are more likely to approach you to learn more. Next is the potential for a meeting. Ultimately, the objective of a so-called elevator pitch is to get you a meeting with a potential investor. At your first meeting, the objective is to get another meeting until you build relationships and trust.

Here are the main points to address in an elevator pitch. How long each point takes depends on how much time you are allowed. The order does not matter. Content is key.

1. State your name, title and company name – A title of founder may be a good choice especially when you don't have any prior experience.
2. Begin with stating the problem (pain/need) you are trying to solve – From the point of view of your potential customers.
3. Describe how you are solving the stated problem – Are you doing it better, cheaper, faster, easier, etc... than how it is current being done?
4. How big is the market? How many people/businesses have this problem and would be willing to buy your product or service? You may want to mention how much of the market you can or intend to capture (e.g., 5% in 3 years).
5. Talk briefly about the competition – It is recommended not to say that you don't have competitors. There is always competition even if no direct competitors. Mention the important ones and how your solution is different.
6. Explain your revenue model – How are you going to make money? One-time sale, monthly subscription, recurring revenue, commission, etc...
7. The team is critical – Talk about the founding team and the executive management along with their relevant experience to the industry in question. If any of the team members have previous successful startup experience, make sure you mention it. If you have a complete team, even better – Operations (CEO/COO), Finance (CFO), Sales/Marketing (CSO/CMO)
8. Mention the current product/service stage – Is it market-ready? Do you have an MVP? Is it already in the market? Etc...
9. Describe your go to market strategy – how are you planning to market and sell your product or service? Knocking on doors? Direct sales? Channel sales?
10. Be sure to tell the listeners what you already put into it (money, sweat equity, etc...), are you in revenue or pre-revenue? How much money do you need? And what you need it for?

As a founder or executive team member, you're expected to know your business intimately and no need for you to have notes or read from a script. Also, with a short pitch, only one person pitching.

This may seem like a lot. It certainly may. But, if you write things down and practice, practice and practice, it is quite doable. Time yourself. A video practice may help as well.