Preparing Pitching Plan and Checklist for Angel Investment

Pitch Basics

Building Blocks

1. The Overview

Create a very high-level overview of your product or service

Who are you and why you're here?

Keep it short and sweet

Don’t put too much text on the slide

Create a hook

2. The Team

Show the people behind the idea and briefly describe their role

Founders

Key team members

Key advisors/mentors

Team member's history

Educational/Industry backgrounds and expertise

Describe their specific role in the company

Explain the unique value each person brings to the startup

Talk about their passion for the project and why they decided to work for a startup

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3. The Problem

What problem are you trying to solve? Is it really a problem?

Description of customer pain points

What kind of person is this product for? - Persona

How the startup solves it - concept & key elements

Brief tech involved

4. The Solution

Describe how are you planning to solve the problem

What the start-up does

Why it’s compelling

Include explainer videos, demos, product screenshots

5. The Product

Describe how are you planning to solve the problem

Include explainer videos, demos, product screenshots

Include PoCs

Include testimonials of actual customers

Value Proposition

Impact

6. Market Opportunity

Know, or at least attempt to predict, the size of your target market

Total Addressable Market

Total Addressable Market (TAM), also referred to as total available market, is the overall revenue opportunity that is available to a product or service if 100% market share was achieved

Serviceable Addressable Market (SAM)

The segment of the TAM targeted by your products and services which is within your geographical reach

Target Market - The portion of SAM that you can capture

Your product: people will want to buy your goods

Your marketing plan and the identified distribution channels

Your SAM and the strength of your competition

Funds available

img source: https://neilpatel.com/blog/create-pitch-deck-investors/

7. Competitive Landscape

What are the alternative solutions to the problem you are trying to solve?

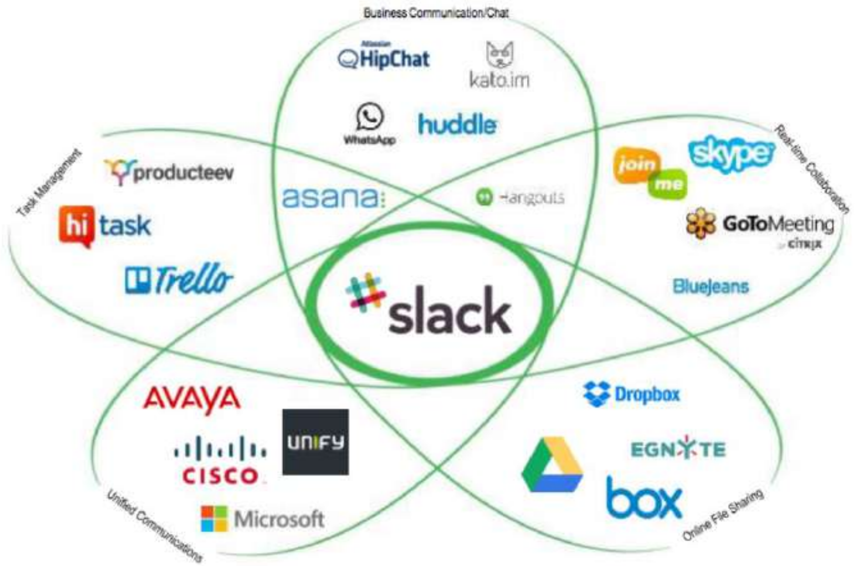
Identify the status quo

Pitch about what sets you apart

Prove vision

Barriers to entry – Key partnerships, IP

	Pinterest	Telly	#waywire	VID interest
User Friendly	✔	✘	✘	✔
Privacy	✔	✘	✘	✔
Keyword follow	✘	✘	✘	✔
Playlist follow	✘	✘	✘	✔
Video Bookmarks	✔	✔	✔	✔
Video Autonext	✘	✔	✔	✔
Video Shuffle	✘	✘	✘	✔



Absolute No!

8. Marketing Strategy

Address how you're going to get the market share you proposed in the last slide

How the company will sell its product, in detail

How much it will cost to build that sales engine

9. Business Model

How are you planning to make money? Show a schedule when you expect revenues to pour in

Clearly and concisely explain how your product will make money

Investors want to know that you have a viable business model in place even if you aren't currently making a profit

Examples:

Commission model - AirBnB
Freemium model - LinkedIn
Subscription model - Netflix
Marketplace model - Flipkart
Bundling Model – McDonalds, Adobe Creative Suite
Razorblade Model – Apple
Product to Service Model – Uber
Leasing Model – Furlenco
Crowdsourcing Model - Wikipedia

Business Model

We take 10% commission on each transaction.

10.6 M	→	$20	→	$200M
TRIPS with AirBnB		**Average Fee**		**Revenue**
Share of Market		$70/night @ 3 nights		2008-2011

airbnb

img source: https://www.basetemplates.com/pitch-deck-slides/business-model-slide

10 Traction

Customer Validation

Talk about KPIs

Month on month growth rate

Pre orders

Letter of intent

Beta sign ups

Key Partnerships/Licenses

11. Financials

Scope for showing potential RoI (Return on Investment)

How much time and money it will take to get to cash flow break-even

Five year projections

Talk clearly about Unit Metrics

Key Metrics

#1 Monthly Unique Visitors
Sum of all visits from all channels on a website/app over the period of a month

#2 Customer Conversion Rate
No. of signups per month / monthly unique visitors per month

#3 Bounce Rate
No. of visitors who clicked the back button or closed their browser / No. of site visitors

#4 Average Order Value (AOV)
Total revenue from orders / No. of orders placed in a period

#5 Monthly Active Users (MAU)
Sum of all users who logged on in a month

#6 Average Revenue Per User (ARPU)
Revenue / No. of active users in a period

#7 Monthly Recurring Revenue (MRR)
Sum of all revenue that automatically renews on a monthly basis

#8 Revenue Run Rate
Monthly revenue x 12

#9 Contribution Margin per Order/Customer
(Revenue – Direct variable costs) / No. of orders

#10 Customer Acquisition Costs (CAC)
Marketing expense / No. of new customers

#11 Contribution Margin After Marketing (CMAM)
Revenue – Direct variable costs – Marketing expense) / No. of orders

#12 Churn Rate
No. of lost customers / Total customers

#13 Burn Rate (and Runway)
Average amount of cash lost per month

#14 Lifetime Value (LTV)
LTV = CMAM (annual) / churn rate

#15 LTV/CAC Ratio
The higher the ratio the better

#16 Payback (# of orders, or time)
CAC / CMAM

#17 Viral Coefficient
No. of existing customers x No. of invitations sent per user x conversion rate / No. of existing customers

Reference

https://docs.google.com/spreadsheets/d/1Jx_2KongK_rS4RuR9SXxheVQGRLzNYsd5S3d8L74ozE/edit#gid=237091280

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12. Funding Requirements

What is your planned budget? What kind of money are you looking for?

How much money do you need?

Timeline – how long is the money going to last

What milestones are you expecting to hit

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13. Contact

Leave your contact details and let people know how to reach you quickly

2 phone nos.

Email id

Angel Investment

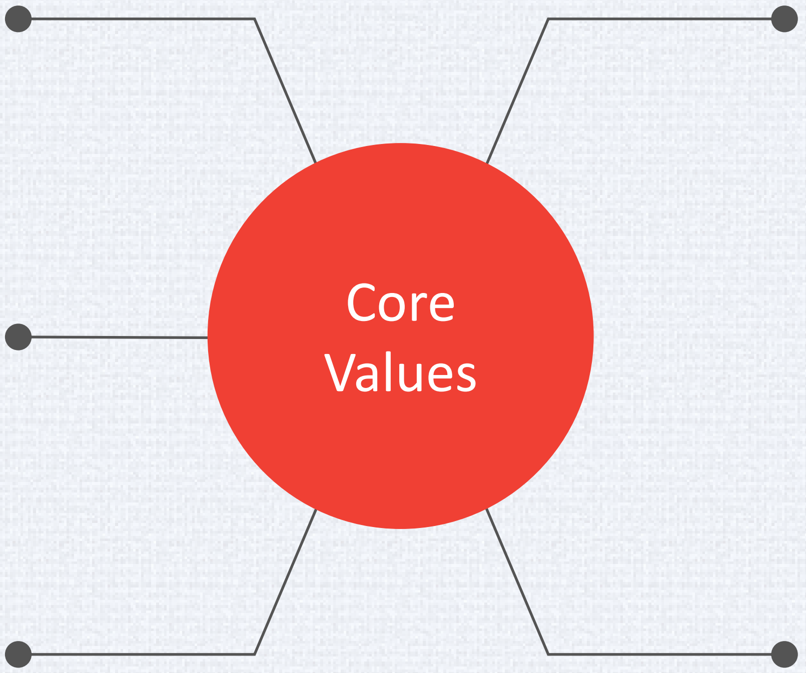
The Basics

Angel Investment

An angel investor is a person who invests in a new or small business venture, providing capital for start-up or expansion.

Equity financing
For INR 1 – 3 cr : 20 -30% equity

Return - **25 to 60 %**



Deciding Factor

Market Potential
The team's ability to execute
Traction
Investor relevance
X - Factor

Angel Investment in India

Indian Angel Network
Chennai Angels
Mumbai Angels
Chandigarh Angels
Venture Catalysts

Thank *you*