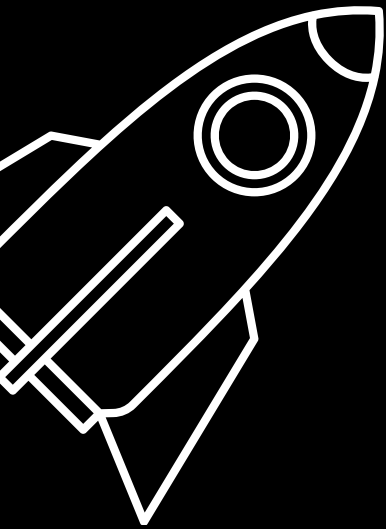


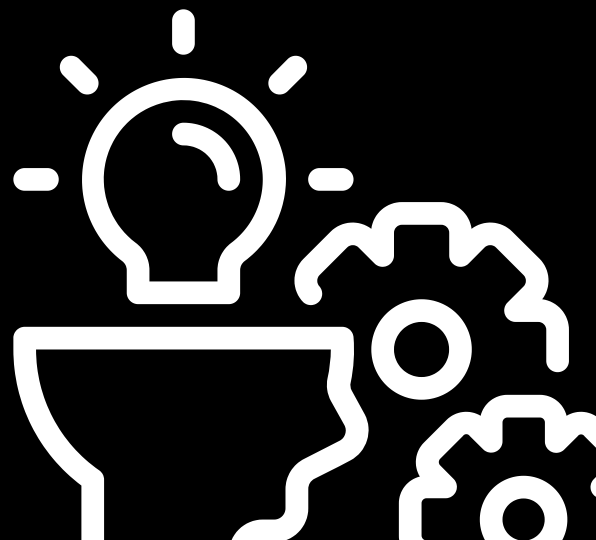
SIMPLIFY



How to make the perfect start-up pitch deck



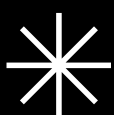
A COMPREHENSIVE
STEP-BY-STEP GUIDE



SIMPLIFY

CHAPTER 1

What is a pitch deck and why is it important?



Capital and people are the two main pillars of any business. Both can be acquired by creating the perfect pitch deck. Find out how -

What is a pitch deck and why is it important?

1. THE 'WHAT'

- In a broad sense, a pitch deck is a document which introduces your start-up and business to the reader. Majority of the times, the reader is a potential investor looking to invest money in your vision and business. However, in some cases, a reader can also be a potential customer, business vendor, business partner or a key employee you wish to hire.
- Ideally, the pitch deck is 10 to 16 page long PDF which is sent by the founder-entrepreneur to the venture capital analyst, potential business partner or a key potential hire. It should be accompanied by a cover letter outlining what the document includes and what is the expected outcome from the conversation.
- It includes everything; right from introducing the start-up, its business model, the founders, their background, the problem being solved, why is the problem big enough to attract huge returns, who are the competitors, going up to the amount of funds needed, use of those funds and how this business can look in the next 3 or 5 or 10 years.

A pitch deck is the founders' opportunity to sell their vision to the reader in under 16 pages and in under 60 seconds.

What is a pitch deck:

- introductory document for your business
- under 16 pages
- includes everything right from business model, founders' background to 10 year vision



What is a pitch deck and why is it important?

2. THE 'WHY'

- First, imagine that you are the investor and you want to grab the best opportunities to invest. Then you would expect the pitch deck to highlight the potential in the business and credibility of the founders very clearly so that you can trust the start-up with your money. *The pitch deck should be capable of generating the feeling of trust in the mind of investor.*
- Next, understand how investors behave. The readers, mainly investors, would either be high net-worth individuals (HNIs), called 'angel investors' or investment firms called as 'venture capital funds (VC funds)'. They employ analysts who are business or technology professionals to evaluate which 'pitch decks' are worth spending time and money on. These investors get anywhere between 30 to 300 pitch decks in a day and the analysts spend 1 to 5 minutes to evaluate one pitch deck. So clearly, *first impressions matter.*
- Given that analysts spend not more than 5 minutes to evaluate a pitch deck of under 20 pages, clear communication and visual appeal are of utmost importance. I would again emphasise on how humans behave; if an analyst has to scan through a high volume of pitch decks, a boring and complicated pitch deck will only reduce your chances of being shortlisted. *It is a myth that the best ideas would always get shortlisted even if they are badly communicated in the pitch deck.*

Why is a pitch deck important:

- investor should get a feeling of 'trust'
- first impressions matter
- clear communication and visual appeal is important



What is a pitch deck and why is it important?

3. PITCH DECK ACROSS STAGES OF FUNDING

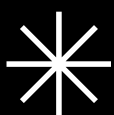
- Start-ups need to raise capital at multiple stages in their life-cycle. If your start-up has just begun i.e. you are the 'seed stage' of the start-up, then you need seed capital which is generally offered by angel investors being HNIs or venture capital firms.
- It is also possible that a start-up has grown and needs capital for large-scale expansion during the growth stages of its life-cycle, then the capital is offered by large investment firms or private equity fund houses.
- The common thing at all stages of funding is a pitch deck, which is used to disclose how the business has been doing historically, what is the founders' vision and what are the aspirations for the future. This document can be used as a guide to craft the best pitch deck at all stages of fundraising in the life cycle of a start-up.

Funding Rounds for Startups					
	Pre-Seed	Seed	Series A	Series B+	IPO
Investors	Friends and family, Grants, Incubators, Crowdfunding	Angel investors, Venture capitalists, Crowdfunding	Venture capitalists	Venture capitalists	Bank Funds, IPO investors
Money Raised	NA	\$10 K to \$2 M	\$2 M to \$15 M	\$30 M to \$60 M	\$30 M to \$100 M
Stage of Operations	Idea stage	Pre-Launch	Growth	Expansion	Public
Valuation	NA	\$3 M-\$6 M	\$10 M-\$15 M	\$7 M-\$10 M	\$1 B+

SIMPLIFY

CHAPTER 2

How to create the perfect pitch deck?



The last and the most important step after creating a pitch deck is not sending it, but following up regularly on it.

What are the steps in creating the perfect pitch deck?

- Understand the investor's mindset
- Know their expectations and questions
- **Prepare your pitch deck**
- Present and communicate clearly
- Regularly follow-up and seek feedback



What are the steps in creating the perfect pitch deck?

Understand the investor's mindset:

Every investor has a 'thesis' or a 'theme'. In simple words, thesis or theme refers to the preferences of an investor regarding a particular investment. They are generally around upcoming sectors, how innovative a start-up is, how huge is the market size, frugality of the founders, how unique is the technology, how competitive is the market, how much marketing expense is required, etc.

These can also be understood as 'filters' an investor may apply before shopping for a start-up. A founder must conduct a detailed research on it by looking at their past investments, website, blogs, interviews, etc. of the investor.

Know their expectations and questions:

Different investors may think differently and ask different kinds of questions. However, there are certain typical questions that almost all investors have before they deep-dive into a start-up.

These questions are generally around the founders' background, their education and work experience, 'why' they started-up, why is the current timing the best time, differentiation from competitors, strong team, huge market size, vision on growth and profitability, etc.

What are the steps in creating the perfect pitch deck?

Prepare your pitch deck:

In the later part of the book, we cover all the elements of a perfect pitch deck in detail

Present and communicate clearly:

Like we mentioned earlier, good ideas communicated badly have no value. The pitch deck is the document to communicate clearly and concisely the strength in your business idea and your vision. Ask your friends and family (who don't know about the idea) to proof read your pitch deck and see if they can easily understand what you mean to say.

Once the reader has seen your pitch deck, understand their questions and give to-the-point answers. Be very clear, truthful and concise. When you don't have an answer, just accept that it is a blind-spot and commit to research about it.

Regularly follow-up and seek feedback

Follow-up regularly. It shows that you're committed and open to answer all questions.

Answer all queries in a clear and concise manner. Seek feedback and understand which things motivate a particular investor. Then try to highlight such strengths in your start-up and share it with them.

CHAPTER 3

What is the content in a perfect pitch deck?



There is no fixed rule on how to create the perfect pitch deck. Anything and everthing that visually appeals to the investor and clearly communicates the potential in your start-up should be included

What is the content in a perfect pitch deck?

SECTION 1 - THE COMPANY

Page 1 - Cover slide

Page 2 - Problem statement

Page 3 - Solution

Page 4 - Your product

SECTION 2 - THE MARKET

Page 5 - Timing

Page 6 - Market size

Page 7 - Competitive landscape

Page 8 - Go-to-market strategy

SECTION 3 - TEAM & PERFORMANCE

Page 9 - ~~Business~~ 'Profit' Model

Page 10 - Traction

Page 11 - Team

Page 12 - Fund expectation and utilisation strategy

What is the content in a perfect pitch deck?

PAGE 1 - COVER SLIDE

- Invest in your branding to design a logo and tagline that communicates the problem solved by your start-up in one line. A good logo, tagline and branding attracts both investors and customers.
- Use the first slide as cover page to bring the entire attention towards your start-up's name, logo and tag line. *Remember, good logos communicate even without words.*

AirBed&Breakfast

Book rooms with locals, rather than hotels.

BuzzFeed

What's Buzzing on the Web?

What is the content in a perfect pitch deck?

PAGE 2 - PROBLEM STATEMENT

- Start by introducing the industry you are operating in. Then explain how it works, what is the inefficiency / gap / whitespace that you see. Explain the problems faced by target customers. This sequence is important because it shows how you came about finding the problem that you want to solve and what is your thought process.
- Avoid jargons. Use less theory and more case studies or examples so that the problem can be clearly visible or 'felt'. It is crucial to mention statistics or data from trusted sources. Lastly, it is very important to highlight how a huge number of people are facing this problem and that the market size of the opportunity is significant.

How Dropbox showed problems in digital storage in its pitch deck

Storage is a mess



It's 2007, and it's *still* a pain to...

- Work on multiple computers
- Share files across a team
- Put photos, video onto the web
- Protect files from loss

source: www.cbinsights.com

What is the content in a perfect pitch deck?

PAGE 3 - SOLUTION

- Start by stating the reason why you started this company, the solution your company plans to bring and its purpose of existing in one clear sentence.
- Then, continue presenting what are the existing solutions in the market, if any. Talk about how accessible they are, how much they cost, how efficient they are. Try to give a small summary or the gist because this will be covered in detail in the 'competition landscape' slide. However, it is important to explain the existing solution here to show how your solution is better, more innovative and unique.
- Once you have introduced your solution, show its key features and ways in which it can be used. Explain how it solves the inefficiencies in the existing solutions and would add more value for all customers. Including a customer testimony or positive pilot test could be highly rewarding.

How Intercom showed its solution

The solution

* Intercom is...

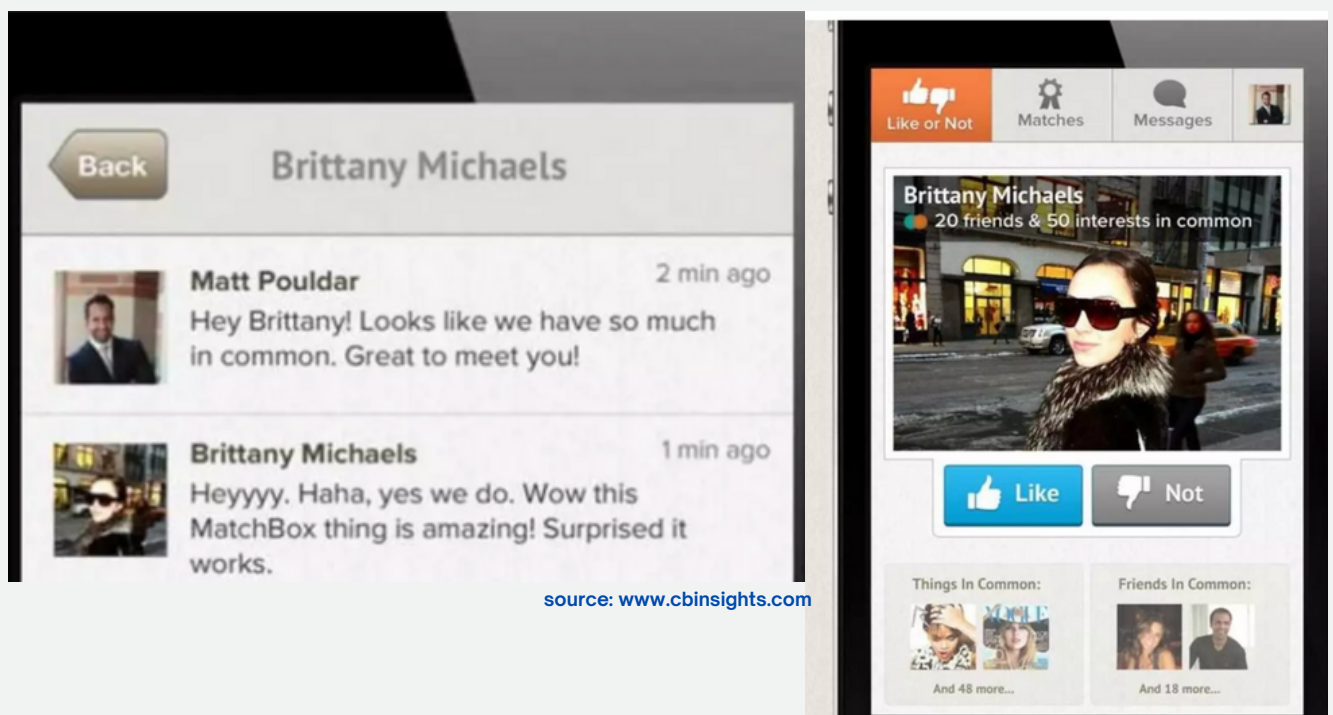
- simple install like Google Analytics,
- customer base browsing (e.g. signed-up today, on premium plan),
- individual customer research (e.g. see Twitter followers, company),
- advanced in-app messaging (user sees message on next login or at specific event and can reply to messages),
- customer relationship management (Intercom calculates relationship metric over time and allows app owner find people who need attention).

What is the content in a perfect pitch deck?

PAGE 4 - YOUR PRODUCT

- In the last slide, we introduced our solution and talked about its key features. We also talked about the existing solutions in the market. The next step is to dedicate one or two slides specifically to your product.
- Don't describe, demonstrate. Try to include real photos, videos or screenshots of your product. Show a roadmap if it is work-in-progress. Show a customer's reaction with your product, if possible. Talk about pricing of the product. Talk about the features in detail and the improvements that you would introduce in the next few months. Try to show a timeline on how the product has evolved over time. All these things clearly map the product in the reader's mind which builds more reliability and trust.

How Tinder demonstrated its product



What is the content in a perfect pitch deck?

PAGE 5 - TIMING

- Timing plays a very crucial role in the success of a start-up. If an idea is ahead of its time, it is only good in theory or in hindsight. In the present, it is a potential waste of money for investors as the market may not be equipped to accept it.
- To show that the time for your idea has come, start by showing how your industry or target audience has performed in the past and what is the state of it currently. Show the state of solutions in the market today and some recent trends which show a shift in consumer preferences or industry demands may take place. Show a new technology that you think can overtake the existing ones. The timing is right when the problem is felt by a huge target group, people are willing to spend for it and adopt it as a long term solution.
- The importance of Zoom came to light only in 2020 when work-from-home became a norm during COVID-19 pandemic. Zoom was incorporated in 2011. Or, the demand for electric 4-wheelers in developing nations may shoot up only once the charging infrastructure is easily available.

See how experts say it -

Bill Gross, the founder of **Idealab** and a serial entrepreneur, in a **TED talk**, mentioned that timing is the single biggest reason why startups grow successfully. His statement was based on the survey of 100 Idealab companies and 100 non-Idealab companies he had conducted to find out what made startups succeed. The results were surprising – timing accounted for 42% of the differences between successful and failed startups, followed by the team (32%), idea (28%), business model (24%) and funding (14%).

Source: [Inc42 article](#)

What is the content in a perfect pitch deck?

PAGE 6 - MARKET SIZE

- The first step is to conduct extensive research and build the 'persona' of your target customer. A typical persona would include various observations of the target customer like their age, gender, education/occupation, spending habits, daily routine, opinions, choices, fears, hobbies, interests, challenges faced, etc.
- Next, for your product and target customer, calculate Total Addressable Market (TAM = total market demand for a product or service), Serviceable Available Market (SAM = TAM which you can reach (geographically or digitally) with your current business strategies, Serviceable Obtainable Market (SOM = market share of SAM that you can capture in the best case scenario)
- The important point to note here is that -
 - target customer's persona helps us target the right set of audience and ensure that all marketing expenditure brings value. If there is no persona and we are targeting everybody in general, then the marketing expenditure is huge and also directionless, which adds no value. Such level of detail instills confidence in the investors.
 - TAM, SAM and SOM are just indicative numbers and are rarely accurate. The intention behind trying to calculate them and talk about them is to give an idea to the investors about how big the opportunity can be in terms of revenue and valuation.

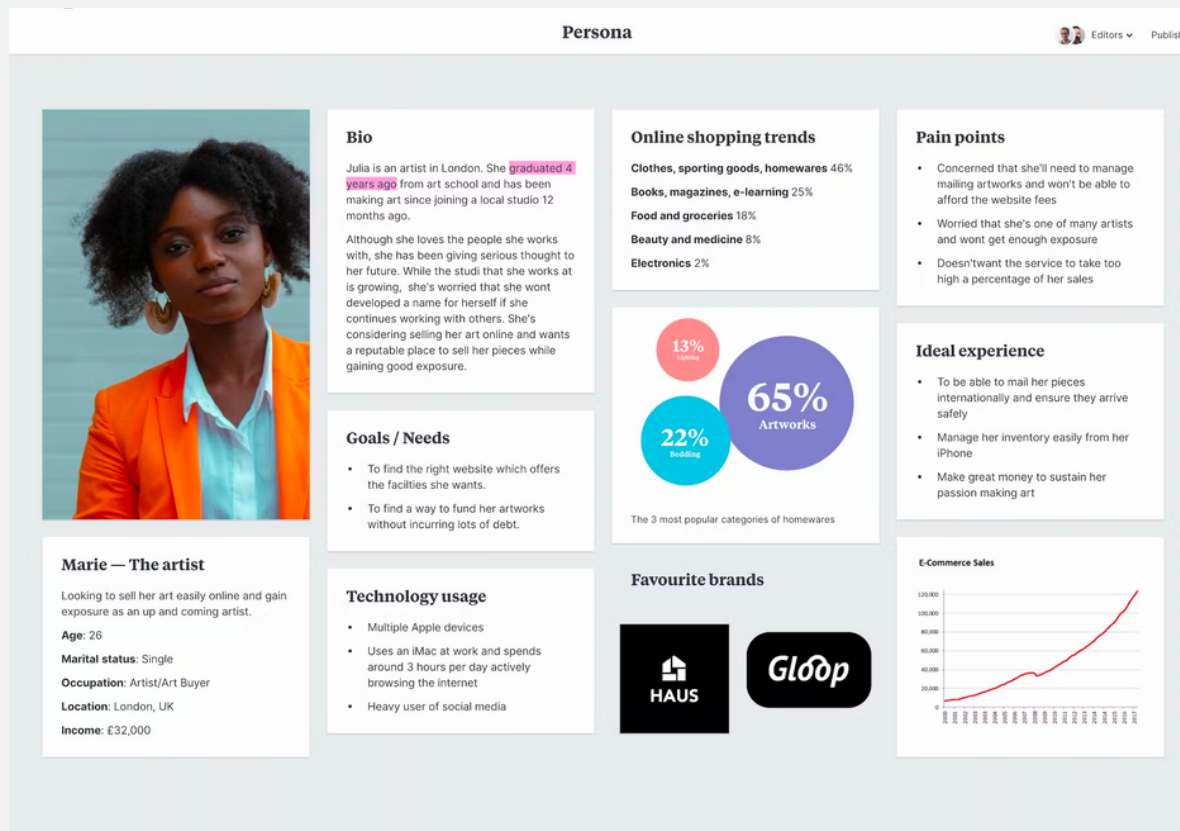
What is the content in a perfect pitch deck?

PAGE 6 - MARKET SIZE

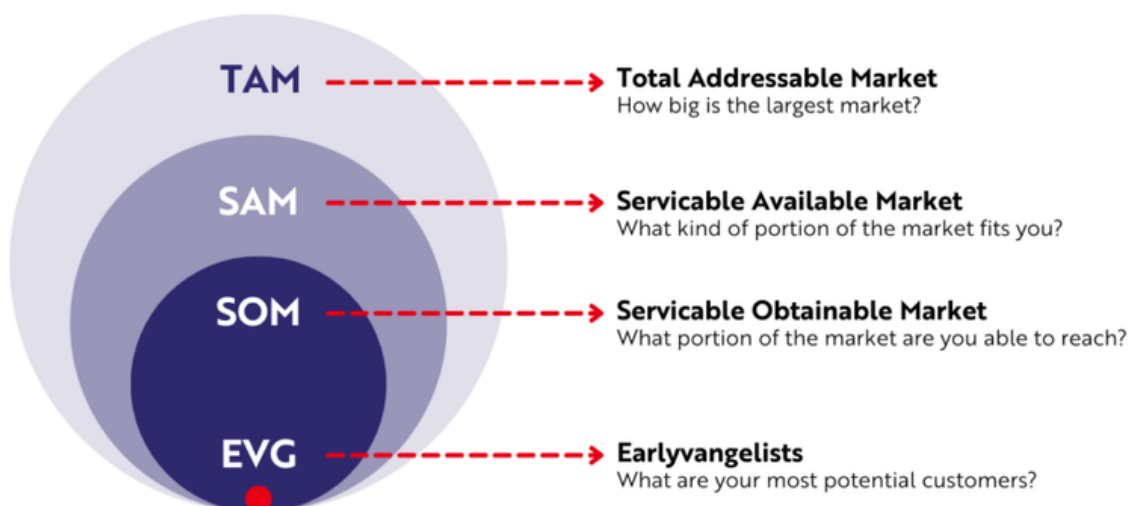
- Let us take a **practical example** of how TAM, SAM and SOM are estimated -
- Imagine a start-up which makes software for those businesses which sell goods online as well as online. These businesses have multiple retail outlets, multiple warehouses and sell directly on their website along with other e-commerce platforms.
- The software provides complete visibility over inventory in each retail outlet and warehouse. There is also a feature to have visibility over the entire logistics chain right from when the goods are in the warehouse till the time they are delivered to a customer.
- The TAM would include all businesses worldwide that sell goods both online and through physical retail outlets, and who require inventory management and logistics tracking software.
- The SAM would be a subset of the TAM, focusing specifically on businesses that have multiple retail outlets, multiple warehouses, and sell goods directly on their website along with other e-commerce platforms. This narrows down the market to businesses with a more complex logistical setup and a need for comprehensive inventory and logistics management solutions.
- The SOM refers to the percentage of the SAM that the startup can realistically capture. This would depend on various factors such as the effectiveness of the software, pricing strategy, marketing efforts, competition, and the startup's ability to meet the specific needs of businesses in this niche.

What is the content in a perfect pitch deck?

PAGE 6 - MARKET SIZE



TAM SAM SOM



What is the content in a perfect pitch deck?

PAGE 7 - COMPETITION LANDSCAPE

- This slide looks relatively simple to present but is very difficult to collate. The idea is to show all the existing players in the industry (i.e. your competitors) and how your solution / product has an edge over them.
- The key point here is to have an in-depth critical evaluation of your competitors and to be able to summarise it for your investors. Know things like solutions they offer, their pricing, their variants, things customers dislike about them, how your solutions are better, etc.
- Know the market share each competitor has and try to display how much share you target to claim in the first 1 to 3 years.

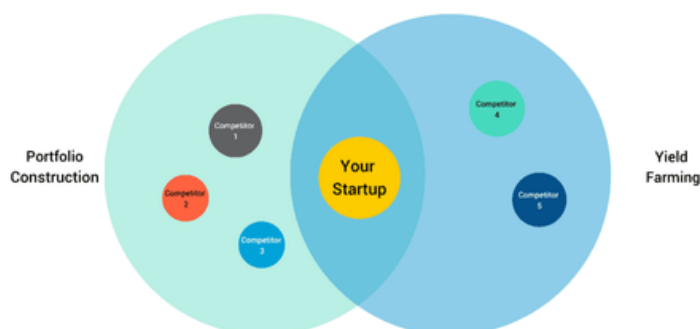
Examples -

Competitive Landscape

	Your Startup	Competitor 1	Competitor 2	Competitor 3	Competitor 4
Reference data aggregation	✓			✓	
Automated transaction processing	✓	✓	✓	✓	
Real-time reporting	✓				✓
Front office integration		✓		✓	
Portfolio accounting	✓	✓	✓		✓

source: underscore VC

Competitive Landscape



What is the content in a perfect pitch deck?

PAGE 8 - GO-TO-MARKET STRATEGY


- Till now, the pitch deck talks about how big the opportunity is and how good the solution is. Now it's time to explain how you will sell it to the market. A good product cannot survive if there is no demand or if it does not reach target customers.
- Answer FAQs like - how will you increase awareness of your product among target users? How much will be the CAC i.e. cost of acquiring a customer? Strategy to promote organic growth? How much control does the start-up have on the supply side i.e. procuring raw material, labour, etc.?
- Try to display that you have in-depth knowledge of how the market and your target customer behaves. Remember, investors love low CAC, tight control over supply, customers repeating your product, product stickiness and ease of use.

How Uber did it -

UberCab

UberCab apps

- 1-Click request from Geo-aware devices
- SMS from any phone: "pickup @work in 5"



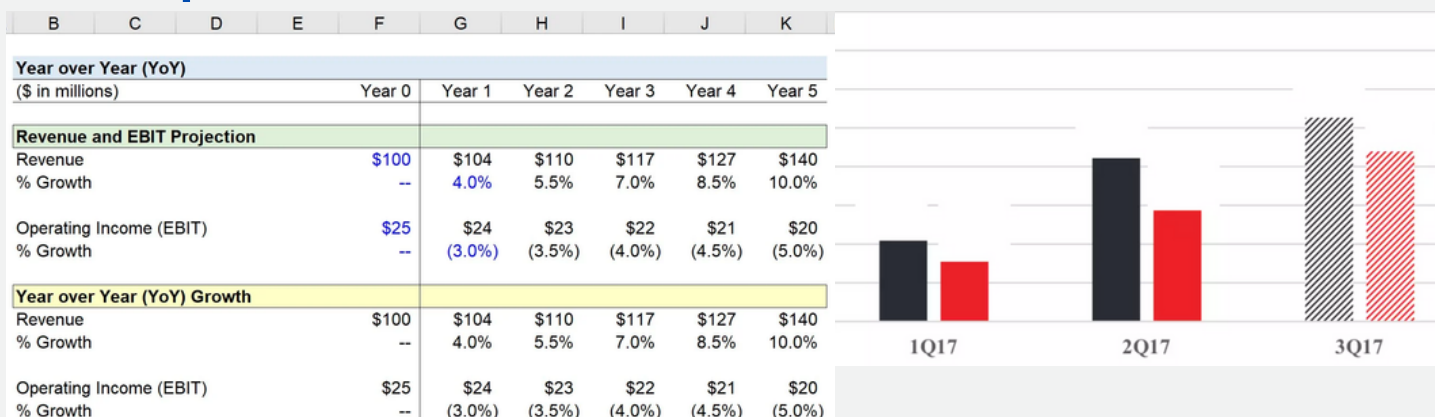
source: cbinsights.com

What is the content in a perfect pitch deck?

PAGE 9 - 'PROFIT' MODEL

- Thankfully, the focus is shifting from 'revenue' models to 'profit' models. So, along with the business model, it is important to talk about your cash-burn, break-even and profitability situation.
- Start with explaining your revenue channels, pricing, sales strategies and distribution models. Then, the unit economics (direct income minus direct cost per unit). Talk about strategies of keeping the activity consistent and sustainable. Clearly communicate how founders' use frugality and technology to bring efficiency and tight control over unnecessary costs. Focus on how key product offerings can be sold through multiple channels.
- If, for any reason, you feel some costs or cash-burns are temporarily high, explain the reasons and by when do you plan to arrest it.

Examples (can use both tables and charts) -



What is the content in a perfect pitch deck?

PAGE 10 - TRACTION

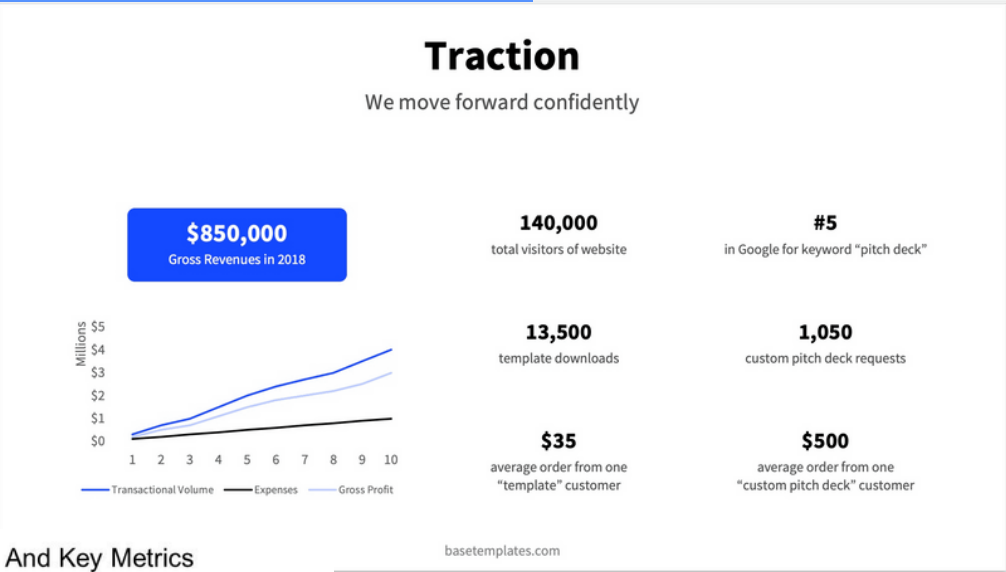
- Traction refers to the growth you have shown from the date of setting up the start-up to the date you share the pitch-deck with the investor. If the ask is at a very early stage (pre-seed or seed stage), it is possible there is not much traction to show.
- There are various business tracking metrics one can display in the pitch deck and discuss with investors. They are - daily or monthly active users (DAU/MAU) of an app or website, average order value (AOV) for direct-to-consumer businesses, letter of intents signed with potential customers (if not confidential), intellectual property rights / patents, customer reactions or video testimonials, customer acquisition cost (CAC) or marketing cost, lifetime value of a customer (LTV), retention rates or customer repeat orders, sales return ratio, gross and net margins, supply chain processes, etc.
- Apart from the business metrics, financial metrics also need to be disclosed, like - month wise revenues, costs, cash profits or losses, assets and liabilities, monthly growth rates in customers and revenue, capital raised till date, ownership dilution till date, ESOPs granted, existing investors, etc.
- The optimum way to share the above metrics is to present summary dashboards / snapshots in the pitch deck and share detailed spreadsheets for references.

What is the content in a perfect pitch deck?

PAGE 10 - TRACTION



source: source: www.slideteam.net



Pitch Deck Slide Financial Projections And Key Metrics

	Year 1	Year 2	Year 3	Year 4	Year 5
# of Customers	Text Here	Text Here	Text Here	Text Here	Text Here
# of Employees	Text Here	Text Here	Text Here	Text Here	Text Here
Sales	Text Here	Text Here	Text Here	Text Here	Text Here
Expenses	Text Here	Text Here	Text Here	Text Here	Text Here
Profits	Text Here	Text Here	Text Here	Text Here	Text Here

This slide is 100% editable. Adapt it to your needs and capture your audience's attention.

source: www.slideteam.net

What is the content in a perfect pitch deck?






PAGE 11 - TEAM

- This is one of the simplest and the most effective slides. *It is important to understand that when investors invest in businesses which have recently started, they rely heavily on the market size, timing and most importantly the team running the company.* The team includes founders, managers, senior employees, board of directors and advisors.
- To build trust in the mind of the investor, it is crucial to display the team's education, past work experience, spotlight achievements at work, industry expertise, remuneration withdrawn, stake owned, and responsibilities taken at the start-up.






Team

We have background, proven track record and vision to succeed

Founders

				
Darrin Warner CEO	Phillip Mann CCO	Katherine Kim CTO	Robin Barnett COO	Sylvia Estrada CMO

Advisors

				
Tony Woods Investor in Atlas Ventures	Darla Ferguson Author of Digital Trends Book	Kerry Black Executive director at Rike	Jordan Elliott CEO of AnotherWorld	Sheri Daniels Investor in Atlas Ventures

basetemplates.com

source: basetemplates.com and techcrun.com

TEAM

We've shipped hardware and software products across industries and we deeply understand the problem space.

CEO

William Burke



15 years of product development, built & managed team of 25+ electromechanical engineers at Cooper Perkins, Led factory ops at Plethora, Developed Hydrow's flagship rowing machine. 4 Patents.

Engineering Director @ Cooper Perkins
Head of Hardware @ Plethora
MS in Mechanical @ Virginia tech

CTO

Carson Darling



14+ years of software development, designed & launched 2 different baby monitors nationwide with Babies'R'Us, developed infant sleep coaching platform in partnership with Johnson & Johnson

Co-Founder & CTO @ Rest Devices
BS in Mechanical & CS @ MIT

What is the content in a perfect pitch deck?

PAGE 12 - FUND UTILISATION STRATEGY

- Ideally, this slide should be the last slide. After detailed explanation on the business, the investor or the analyst should be able to think of the next steps i.e. how much money is needed by the start-up and how they plan to spend it over time.
- Very clearly communicate how much fund is needed, how much stake is being offered to investors (i.e. valuation), how much time would be taken to use the funds raised (i.e. runway), how would the funds be spent, what is the future course of action or roadmap, milestones targeted to be achieved with the funds being raised, whether any other investors have committed any capital, instrument through which funds are raised (SAFE or preference shares for instance) etc.



End notes -

- More than 90% start-ups fail either in the first year or within the first five years. Plan wisely.
- Less than 5% of the start-ups pitched to investors receive funding. Bootstrapping your business or receiving investments from friends and family may be a more convenient option for many.
- Failure of a start-up or being rejected by an investor does not reflect on you personally. It does not mean you can't do well in the future. Treat it like a lesson and a stepping stone. Just remember to make mistakes which you can afford and which are reversible.
- Hire people / advisors more talented than you and never shy away from offering them ownership of the start-up. It is a team game.
- Though the guide is for 12 pages, some sections take more than 1 page taking the ideal size of the pitch deck to around 15 pages.
- There are various websites to find pitch decks of famous start-ups. However, they are all outdated.
- Though you can find pitch deck templates on Canva and other platforms, each business requires its own brand identity and creative research for pitch deck. Standard templates cannot apply to all start-ups.



All founders and entrepreneurs deserve respect because they dared to believe in their vision, believed that a pay-check is not the peak of their income and that they have the power to give their kids a better future.

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