Every business starts with an idea. Once you move from ideation to the launch stage, you’ll need capital. One promising pathway to funding is to pitch to investors. Developing your business pitch is key to helping investors and organizations gain a better understanding of your mission and investment strategy. This guide offers suggestions to the components of a winning pitch.

### Preparing Your Business Pitch

When preparing to pitch to investors it’s important that you are clear about what your business is, what it does, who is your target market, and why they should invest in you.

Your pitch should convey a compelling story that includes key elements with the goal of securing funding. While preparing your pitch it’s important to know your audience and their needs. This helps yield greater success. The timing of your pitch depends on the nature of funding environment. Therefore, be sure to prepare your presentation to meet timing and goals.

Below outlines some key elements your pitch deck should include when talking to prospective funders.

### Components of a Good Pitch

A good pitch should include the following elements that can potentially be communicated in 1 to 3 minutes:

- State the problem.
- Define your product or service.
- Explain how your offering is the solution.
- Detail how your product is unique.
- Be clear about your target market.
- Close the deal with a compelling call-to-action/your ask.
Overall your pitch should tell a story and make an impression on your audience. Whether you are pitching formally or informally, be sure you convey the problem you solve and clearly communicate why someone should invest in you. Creating a story is the best way to accomplish this. Whether it’s an experience that inspired your idea or an unmet need, convey that your business has that “it” factor they need to invest in.

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<th><strong>Problem</strong></th>
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<th><strong>Explanation of Product or Service</strong></th>
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<th><strong>How My Product is Unique and Solves the Problem</strong></th>
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<th><strong>Target Market</strong></th>
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<th><strong>My Ask</strong></th>
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Presenting Your Pitch

1. **Explain How You are Different from Competitors**

   Many investors hear several pitches in addition to your own. Standing out is critical. Be prepared to explain immediately how your specific product is solves a problem in the market, and its competitive advantage.

2. **Know Your Market**

   Investors respect knowledge, expertise and traction in a field. Include insights and trends in your market, in addition to your unique experience and traction to date. For more information on a business growth strategy, visit our [Developing a Growth Strategy Tipsheet](#).

3. **Close the deal – Your Ask**

   Every pitch should conclude with an ask: A specific amount of money you are looking to receive and an explanation for what the money will be used on. When creating your ask, keep in mind the value of your business, your success to this point, and the increased revenue that their investment should yield.

4. **Be Prepared to Answer Questions**

   Pitches aren’t a one-way presentation. More than likely, your prospective investor has questions about your business plan, potential financial details, 5-year plan and more. Be confident, concise and clear with your answers and show your audience that no question throws you off guard.

5. **Practice**

   Practice makes perfect. You never know when a golden opportunity to pitch your business to the right investor comes along. For that reason, you need to be ready at all times. Practice your pitch with your friends, neighbors, family, even your mirror! Get feedback and memorize your carefully curated pitch so that when you happen to stumble upon someone that can change your fortunes, you can take advantage.
Common Places to Pitch

**Pitch Competitions**
An ever-growing trend in the business world, pitch competitions are a place where people looking to get money are put in front of people looking to make money. Search for pitch competitions in your area. Prepare your short pitches for these competitions specifically. Know that you’re among dozens if not hundreds of other businesses here, so find a way to stand out.

**Investors**
Investors are simple. They have money. They want more money. And your job is to show them how you’re going to help them achieve their goal. There are tons of firms out there that specialize in angel investing to new businesses, so be sure to reach out to as many as you can hoping to land the right investor for you.

**Crowdfunding**
One of the simplest ways to access capital is within your community of friends, family, and customers. A promising pathway to raising capital is crowdfunding. Founders have the option to fundraise in exchange for goods, services and, more recently, equity. Watch our [Equity Crowdfunding webinars Part 1 and Part 2](#) for more information.

For more information on funding sources for your business, visit our [Funding Your Business Tipsheet](#).