

<b>LEVEL</b>	1
<b>LEARNING OUTCOME</b>	L04 Students can generate, develop and test sustainability-driven business ideas and opportunities
<b>SPECIFIC LEARNING OUTCOME</b>	Students understand how to present their sustainability-driven business ideas and opportunities
<b>KEYWORDS</b>	Elevator pitch, money raising, Dragon’s Den
<b>INTRODUCTION</b>	If you want to raise money for a business idea or sustainable, you’ll need to know how to pitch your business idea so you can attract investors into funding your company. In this learning outcome you get the tips.
<b>HOW TO WORK WITH THIS MATERIAL</b>	<ul style="list-style-type: none"> <li>• Show theory to the class and discuss about what is most important in an elevator pitch</li> <li>• Use the template pitch canvas and let the students fill in the template for their own sustainable business idea</li> <li>• Let the students pitch their idea in front of the group and give students the opportunity to give feedback on each other’s elevator pitches</li> </ul>
<b>TIMING</b>	approx. 2 hours

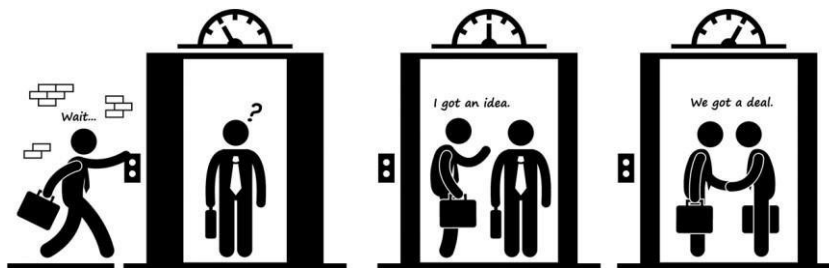


## Elevator pitch

If you want to raise money for a business idea or sustainable enterprise, you'll need to know how to pitch your business idea so you can attract investors into funding your company.

All business owners need to be able to pitch, whether it's to potential customers or to investors and banks to raise money for your new business start-up. Made popular by shows such as the BBC's *Dragon's Den*, pitching might appear to require a brilliant, innovative business idea with the potential to make millions in the first year, but the reality is quite different.

Serious business investors are looking for realistic business ideas when it comes to funding new businesses. If you've got a great business idea, make sure you've a killer pitch to make it easier to raise money for your start-up. Here are **our tips** for pitching your business idea to investors.



## Create an elevator pitch

Make sure that you can sum up your business idea in a way that's easy to understand. Imagine you have 30 seconds to describe your business, then sum up what it does, why it exists and what's unique about it. If business investors cannot easily understand your business idea, then they won't have confidence that your customers will get it either. Practice talking about your idea in just 30 seconds. If asked, you can then expand on the why, what and how of your business idea.



## Show small business idea experience

Real-world experience coupled with a capable management team is likely to inspire investor confidence when pitching your business idea. Back up all the parts of your idea with two important confidence-building details:

- **Business evidence**

Show evidence of cash flow; a track record with customers; testimonials and any market research you've carried out. Investors are likely to fund a company that has evidence of its ability to trade.

- **Show your experience**

Demonstrate that your business is in capable hands with an experienced management team that knows the market and has experience running or working in similar businesses. Skills such as accounting, marketing, sales and operations are important to show in your CV or that of your team if you have one.

## Demonstrate realistic forecasts

Don't pitch your business idea as a get-rich-quick scheme. Sensible investors won't have confidence you can deliver on ambitious multi-million-pound revenue and profit forecasts. Instead, demonstrate realistic revenue growth and include three possible outcomes - worse case, medium or expected case, and best case in terms of revenue. Ensure you provide evidence for your forecasts, such as market data and competitor analysis, and clearly explain the assumptions you've made in arriving at your revenue forecasts.



## Keep start-up costs low

Don't get carried away with unrealistic costs when trying to raise funds for a business idea. Wise investors are looking for a new business that has a tight rein on costs and an overall focus on cost control. Avoid awarding yourself a large salary, and keep capital expenditure to a minimum - buy cheap PCs or laptops rather than the latest models with expensive features you don't really need, for example. Be sure to factor in a financial buffer in marketing and operational budgets, but otherwise keep your costs as low as possible.

## Crawl before running

Showing that you can deliver the goods is attractive to would-be investors. Before trying to secure funds for a large operation, show you can manufacture on a smaller scale first, or that you can deliver your services to a small number of regular customers. Success breeds confidence, and if you've shown you can deliver then you're more likely to secure funding to expand your business further.

### For more practical tips:

Watch this video (2 mins):

<https://www.youtube.com/watch?v=w28idSfNBnc> a video with 3 tips, short, concise and to the point.

**How to Pitch a Business Plan That Convinces Your Critics**, (7mins) <https://www.youtube.com/watch?v=38v6cDzxpUg> - a video about an organic soap company preparing for their pitch.

**Examples and templates for elevator pitches:**

<https://toggl.com/blog/elevator-pitch-examples>

- an article about elevator pitching, with several examples of pitches.

