

How to Build the Ultimate Pitch Deck



“Your pitch has a massive impact on the outcome of your startup”

For roughly the past decade, I lived and breathed pitch decks— first as a consultant with VentureArchetypes, then as CEO of my own startup, Foundersuite.com.

At Foundersuite, I decided to raise a \$500k seed round, and based (partially) on the strength of our pitch deck, I was able to wrangle in almost \$1m instead.

Here is my “handbook” of pitch deck hacks. Enjoy!



*Nathan Beckord,
CEO of Foundersuite*

Investors Are Trying to Find Something Exceptional

What makes you exceptional?



First, why is your pitch deck so incredibly important? Because in the early days, unless you have Slack-like traction or 3x exits under the belt, no one really gives a crap about you or what you're doing.

It's your pitch that helps turn this cold raw fact around, and helps you sell your vision to investors, partners, co-founders, employees and others. When I was consulting to startups, I reviewed at least 1000 decks, and 98% were unremarkable. Most were ignored and the startups behind them died a slow death.

Thus, you need to find a "hook" that will put you in you in other 2% — you need to find your "one thing" that is the single most unique, compelling piece of your story. In other words, if you strip everything away...what will investors remember about you a week or two later? To capture this we use *archetypes*.

These archetypes are important because how you frame your business and how you frame the discussion has a massive impact on how people react, what they retain, what message they will share with other investors, and what actions they take. Here are 6 pitch archetypes to rock your pitch deck.



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6 Pitch Archetypes

1. Problem/solution

This is the classic format long favored by Sequoia Capital and many others. You've found a valuable, rich pain point in the market, and you have the unique domain expertise or a novel way to solve it. You're building a painkiller vs. vitamin.

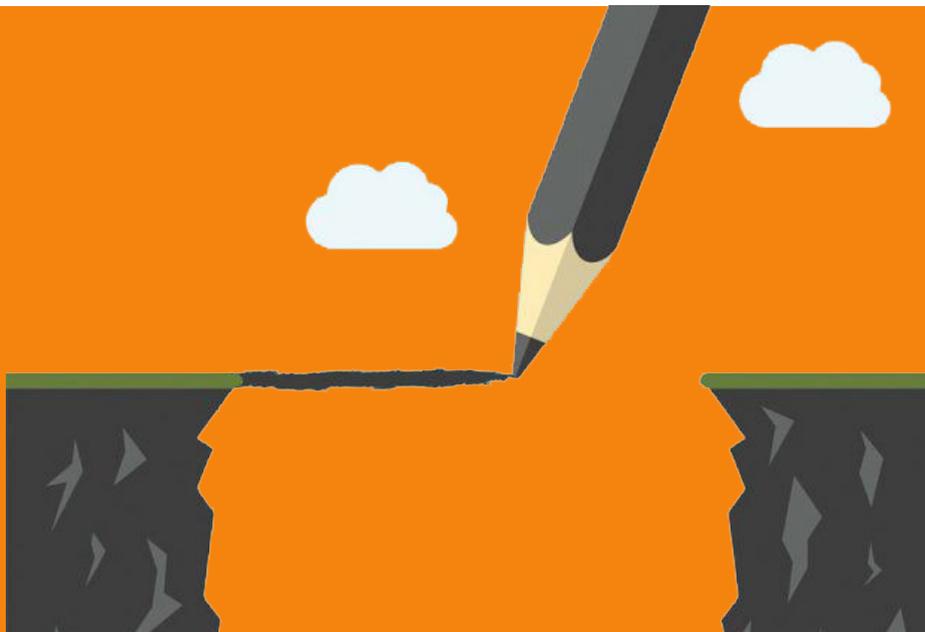
This structure probably accounts for 3/4 of the decks out there. It's classic, it's familiar, it's powerful, but it's not always as relevant to web 2.0...is there really a pain point solved by another social photo filterapp? :)

Examples:

Existing vehicles are polluters → we built an electric car (Tesla).

Poor people are being preyed on by payday lenders → we built a platform to help people learn and build good credit (LendUp).

Building relations with customers is hard for SaaS firms → we built a customer relationship management chatbot (Intercom).



2. Traction story

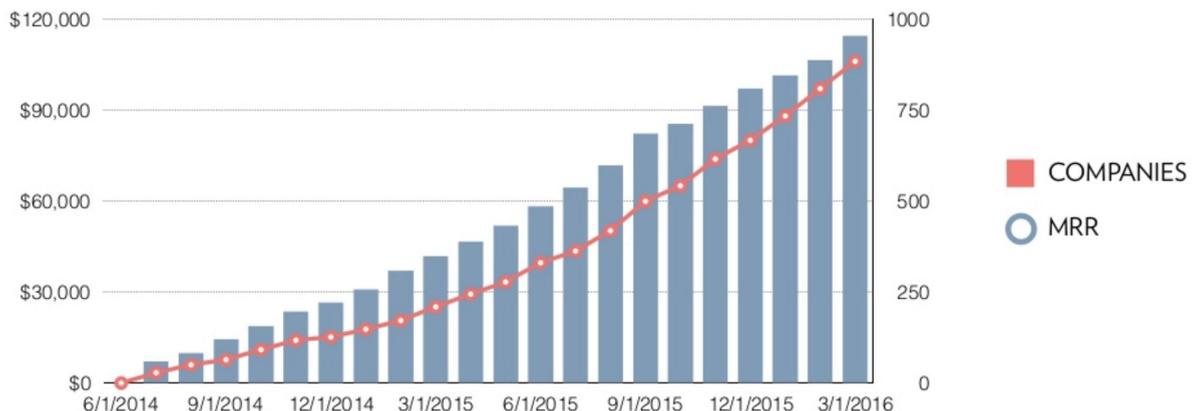
With the Traction Story archetype, you're basically "pitching the numbers;" what you're actually doing becomes secondary. The traction story is the hardest to achieve but the easiest to get funded, as there's a direct correlation between the strength of your traction and the speed at which you raise money.

Here, the story arc of your deck is focused on your growth and rate of growth (i.e. the slope of the line) as validation of your vision. In some cases, I suggest you start off strong, on the first slide of your deck, show a chart of your numbers / users / revenue, and use the rest of the deck to tell the story of how you got there.

You'll get massive bonus points if you can also demonstrate the lifetime value of a customer (LTV) is greater than your cost to acquire a customer; in this scenario, adding venture money to the bonfire becomes a no-brainer and it makes sense to dump as much in as you can profitably spend.

By default, a traction story pitch means you've found product/market fit, which is sexy. Questions and pushback may center on your strategies to maintain this growth and defensibility as new competition comes online.

Example: See slide from Front App's pitch deck below, showing consistent organic growth.



MRR grew 5.4 times in the past 12 months.

3. X for Y

This archetype has been in vogue lately, especially with the rise of Uber and Airbnb. Essentially, it centers on applying a proven business model to a new market or application.

Here, X is the established model (e.g. Airbnb) and Y is the new market that the model is being applied to (dog boarding) = DogVacay. You see this a lot now, and it can be combined with Problem / Solution. However, there's a risk it's been overdone.

A variation on this is what I call the Hollywood Pitch, which is a mashup of two different scripts, e.g. "Jurassic Park meets Dirty Dancing"



4. Scratched Your Itch

The "scratched your itch" archetype simply tells your personal story of how you came to be where you are today. Usually it involves how you've solved something that was vexing you. A lot of technical companies get started this way.

Examples: Heroku, Dropbox or Github. Or, for example, I started Foundersuite as a side project of a consulting business, after setting up dozens of Google sheets for tracking investors.

It's often very personal which makes it engaging and memorable. Especially when you present it live. It's also very effective if you know the problem intimately + the VC has experienced the problem + it's a universal problem.

It's not effective if the "itch" is too niche or the market application too narrow or specific.



5. Crystal Ball

I also refer to this pitch archetype as “evolution next” or “skating to where the puck will be” or “connect the dots.” Essentially, you’re painting a picture of how the future will unfold, and how you will get ahead of this evolution.

Example: The evolution of computing from mainframe to client/server to PC to the cloud and mobile is a tidy “evolution story” I’ve seen in pitches (with various visions of “what comes next”... blockchain? AR/VR? AI? etc.). Similar evolutions can be told in just about any fast-changing industry.

Typically, you walk an investor through how a market has evolved — usually showing a few major

leaps and bounds that created new home run companies — and where it will be in 3-5 years.

This archetype is pretty compelling, as you’re showing investors a peek into the future — and they love that sort of thing. Thus, it can be easier to get a pitch meeting using this archetype vs. some of the other formats.

The harder part is convincing them that YOUR solution is the one that will win. Also, because this pitch has a longer time horizon associated with it (vs. the traction story for example) you need to also convince investors you’re flexible enough to execute around the 1000 minefields that are completely hidden today — technology shifts, demographic trends, legislation, etc.

“This archetype is pretty compelling, as you’re showing investors a peek into the future—and they love that sort of thing.”



6. *Wouldn't It Be Nice*

This is a simple one, and can be quite evocative. You simply describe something fun and interesting, and you get the investor to imagine it with you. Typically you structure the deck as a couple cool use cases and anecdotes.

Like the Crystal Ball, you're selling a dream — but one that's usually a little more tangible and closer to fruition. Be sure to back up this pitch archetype with a detailed execution roadmap & strategic plan.

Examples:

“Wouldn't it be cool if you could hail a taxi from your phone and watch it drive toward you? (Uber)

“Wouldn't it be fun if you could rent a private beachfront home in Bali” (Airbnb)

“Wouldn't it be dope if you could get cannabis delivered instantly” (Eaze)



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Other Pitch Archetypes

1. Old Industry / New Business Model: you're taking an existing technology or industry, and innovating on monetization. E.g. Sunrun, WeWork, Square.

2. Consumerization of Enterprise: you're applying approaches from the consumer world to companies, and you win via cheap software that continually gets better. E.g. Slack, Asana, etc.

3. Dream Team: the entire pitch is built around the jockey(s) and their capacity to make something magical happen. For example, you've assembled a team of scientists with rare knowledge, or a marketing team that built Salesforce. You're essentially pitching that history will repeat itself.

4. Service at scale: this involves taking a service that has traditionally been done offline or by individual consultants, and making it profitable online in volume. Wave (accounting) and 99Designs (graphic design) are examples.

5. Breakthrough Technology: this is a pure-play on an innovation-- something notable that has been invented and patented, such as a new solar film or a touch screen interface.

6. Pivot Story: essentially, you describe how you tried several things, until you finally stumbled upon something that's working.

For example Twitter was originally a podcasting company Odeo, and PayPal was originally focused on cryptography for handheld devices, then a way to beam \$\$ among Palm Pilots. Slack was originally an internal tool used for an online video game.

The archetype is explaining what you did to run into a dead end, what you learned from that, and what new direction that set you off on. It helps tremendously if your Pivot Story is also backed by a Traction Story and product/ market fit, otherwise investors may think you're chasing another dead end.





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Pitch Structure

You basically just need to cover the 10 topics on the next page. The order of the slides will depend on the archetype you choose.

The most important thing is that you keep your deck **SHORT!**

- 12 slides is long.
- 10 slides is great.
- 5 slides is amazing.

Keep your core pitch short, but feel free to add more detailed slides in the Appendix. And always, always keep it **SIMPLE**. Complexity is the enemy of clarity. After you've built your deck, the next step is to condense it down to an elevator pitch.

1. Company Purpose

Define the company purpose in a single declarative statement.

2. Problem

Describe the pain of the customer. Outline how the customer addresses the issue today.

3. Solution

Your company's and customers value prop to make the customers life better. Provide use cases.

4. Why Now?

Set up the historical evolution of your category. Define recent trends that make your solution possible.

5. Market Size

Identify /profile the customer you cater to. Calculate the TAM (top down) SAM (bottoms up).

6. Competition

List competitors & competitive advantages.

7. Product

Product line up (form factor, functionality, features, architecture, IP). Development roadmap.

8. Business Model

Pricing, Revenue Model, average account size or LTV, CAC. Sales and distribution model, Customer / Pipeline list

9. Team

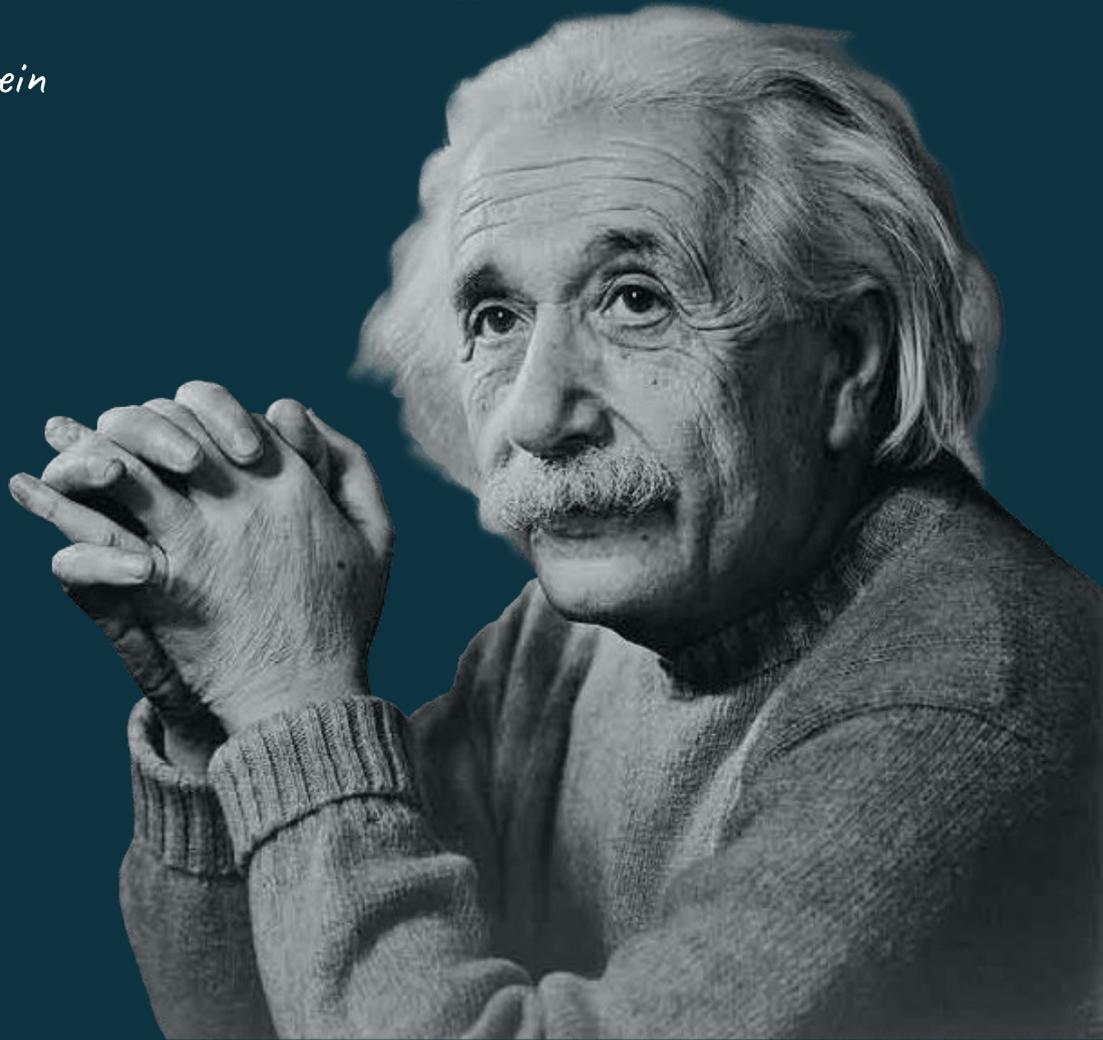
Founders & Management, Board of Directors, Board or Advisors.

10. Financials

P&L, B/S, Cash Flow, Cap Table, The Deal.

**“If you can’t
explain it simply,
you don’t
understand
it well enough.”**

- Albert Einstein



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VC Elevator Pitch Template

My name is [Name], I am the CEO of [Company name]. We make [brief description of what you do] for the [name of market].

Our product/ service [describe a specific problem you solve or need to address] for [specific target customers]. We do this [better, faster, cheaper] than the competition because [main source of proprietary advantage or secret sauce].

Our business model is [how you make money e.g license sales, subscriptions, advertising etc].

At present we are [describe stage of business / concept stage, in product development, beta trials etc].

We seeking [xx million] in funding to be used for [launch, marketing & sales, hiring etc]. This amount will get us to [describe next major milestone e.g. commercial launch, profitability etc].

Our current metrics are [describe traction, revenue, customers, customer growth rate]. When can we set up a deeper dive?

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Pitch Nuts & Bolts

File Type? Stick with Keynote, or if you're a Windows person, use PowerPoint. Google Slides is also very user friendly and can be exported to PPT, PDF or KEY.

Styling / Formatting? Keep it minimalist. Use a white background if it's likely to be printed. Use a black background and large font for live presentations.

Builds & Animation? Absolutely not. All the nifty Keynote or PowerPoint graphics tricks — having text appear in a sparking burst of color, for example— won't help get you funded, and most likely they'll detract from what your deck is supposed to be:

written information presented in a thoughtful, easily-digestible way. Also, builds look terrible when printed.

Length? As we discussed, 5 slides for a minimalist deck, 10-12 for the Guy Kawasaki / Sequoia format. If you absolutely have more you need to say, dump it into a clearly-labeled appendix (but assume no one will read it).

Tone? It depends. A confident tone is good, without being cocky. For consumer startups, I like a little attitude in the pitch (Google "Manpacks pitch deck"). Your tone should be thoughtful / reflective / aware if you've pivoted, and more serious if you're an enterprise startup.

Host a copy online? Yes, generally. Putting your deck in a Dropbox folder and including a link is far better than attaching a large file to an email. Services like Foundersuite and Docsend are useful if you want to track who views your deck and how much time investors spend on it. Foundersuite's Investor Update tool also allows attachments, so you can keep your investor relations materials in one place. Slideshare is an option if you're not worried about privacy. Google slides works well for general-purpose hosting.

Confidentiality? Assume everything you send over the Internet will be

shared. It's happened with startups I've worked with— we've had decks leak out, and we've been on the receiving end of competitors' decks. I don't worry too much about it— it's a good sign if an investor is sending your deck to other investors (they're doing your job for you!) but realize it could land in the hands of a competitor. Sanitize as needed, or set up a data room.

Data room? Almost no one does this, but if you're really worried about your deck leaking out, set up an online data room to host your files, control access and track views or downloads. iDeals, Firmex and Merrill Datasite are three to check out. Box also has an offering.



Buffer

SEED | RAISED \$500K | 2011 | SAAS



Airbnb

SEED | RAISED \$600K | 2009 | MARKETPLACE



Intercom

SEED | RAISED \$600K | 2012 | SAAS



Tinder

INCUBATOR | 2012 | APP



Contently

SERIES B | RAISED \$9M | 2014 | SAAS



WeWork

SERIES D | RAISED \$335M | 2014 | ON-DEMAND

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Presentation Hacks: Tips for the Live Pitch

Early Bird Gets The Worm: The default mechanics are that you arrive 10 minutes early, as you will need to get set up on WiFi, connect to the display, etc. The VC will probably arrive 10 minutes late; don't be rattled by this.

Live Product Demo: The timing of this will partially depend on which "pitch archetype" you've used to structure your deck, but this usually occurs about halfway through the pitch.

Plan for it after you've made small talk, built a rapport, and established the "what" and "why" and "who" of what you're doing. Try to get your product demo to under 3 minutes or so, and don't get lost in the weeds and nuances of your product. Keep it high level and focused on the value for the user.

Laptop Demo: Assume your slides get corrupted on the walk from your car to the venture firms office.

or that the projector bulb burns out, Internet connectivity will fail, or your server will be down. Be ready to run a demo off your laptop if you need to. If that's technically too challenging, at least have some screen shots you can use to walk the investor through what you're doing.

Keep It Conversational: You need to have your pitch down cold, but a carefully scripted "speech" will come off as artificial and robotic.

Try telling your pitch like a story. In fact, close your laptop for a moment and try giving your pitch in a natural, conversational flow— it will probably come off as much more powerful, and you'll establish more of a connection.

In addition, don't be afraid to borrow a few showman's tricks— I've seen CEO's effectively use movement, dramatic emphasis, emotion, elongated pauses etc. to make their pitch more memorable.

Tuning: Know your audience: Know the investor. Research their

background— look them up on Twitter, LinkedIn, AngelList, and Google their name. What did they do before? Was she in finance? Did he come from a sales or product background? Has she ever been a founder, or always on the investing side? Understanding their context and the "lens" that the investor is likely to hold can help your tune your pitch.

Rehearse, Rehearse, Rehearse: Your pitch will only get better the more times you do it live, in front of real people. I like to start off with what I call "friendly fire" — before doing a pitch live to a real investor, give full-on simulated pitches to your attorney, friends, advisors, other startup founders, etc. It may also be helpful to start off by pitching to investors who are not at the top of your list; by the time you get to your "A-list" your pitch will be tight and solid.

Go For The Kill: Finally, you're there asking for money, you're there selling equity in your company— don't forget to go for the close! Ask for it! Ask for next steps and set up the next pitch or diligence meeting on the spot.



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Next steps

- aka how to stop reading about building a pitch deck & how to actually start doing it.

1. Draw With Pen & Paper

I like to start a new deck by storyboarding it by hand— literally, I put the computer away and sit down at a clean, empty desk with a cup of coffee, 10-12 blank pieces of paper and a pen, and I simply draw rough diagrams for each slide.

I find this spurs creativity much more than working in PowerPoint or Keynote, and I can lay out the paper "slides" on the desk and re-order them into the perfect storyline. Only after I've locked down a cohesive story arc do I fire up the MacBook and start creating a digital version.

2. Title & Subtitle

Another approach I've used to get started is to draft an outline in a Word document. I begin with one of the standard pitch deck formats as suggested by Sequoia or Guy Kawasaki (e.g., Problem / Solution / Team / Market - etc.) and then I add one key concept that I want to convey on each slide as a sub-bullet.

This forms the basis of the story arc that the deck will take, and I can

subsequently add more color and detail to each later (without going overboard). Focus on just the Title (i.e. what the slide is about) and one SubTitle (the key concept or message about your business).

If you find yourself trying to cram more than one concept on a slide, you're already off track. Stop it. The rest of the slide should expand on this one core concept, or better yet, represent it as an image or diagrams.

3 Copy & Modify

Finally, a "cheater's approach" is to pull up a deck from another startup and modify it.

I've built something like 100+ startup decks over the years, so obviously this is an easier hack for me than for someone building their first pitch deck.

However, there are many, many good decks now online. Check out <https://attach.io/startup-pitch-decks/> as a starting point. Just make sure the look, tone, and feel of your slides are consistent to avoid creating a "Frankenstein" deck."

Thanks!

Thanks for downloading this Foundersuite Guide— we hope you find it useful, and that it helps you close your next round.

Any feedback, tips, suggestions or corrections? We'd love to hear from you: info@foundersuite.com

Don't forget to check out www.foundersuite.com where you'll find our awesome Investor CRM, Investor Updater, a database of over 121,000 investors and a great collection of pitch decks and other templates.

Happy Hunting! :)

