

How to talk to investors

Nov 2022

Why I am giving this talk

- Investors can provide resources
- Most people don't know how to benefit from those resources
- I helped raise \$250k pre-seed for a SaaS startup
- I'm passionate about building great products
 - I'm not passionate about talking to investors
- These are some resources that helped me

Why talk to investors?

- Seek funding
 - For what?
- Seek guidance
- Connect with other businesses in your industry

**Different situations, different
strategies**

The “elevator pitch”

Introducing your company

- KISS
- What is the product
- What is the problem
- Why are you the person to solve it?

Example pitches

How to Pitch Your Startup

by Kevin Hale



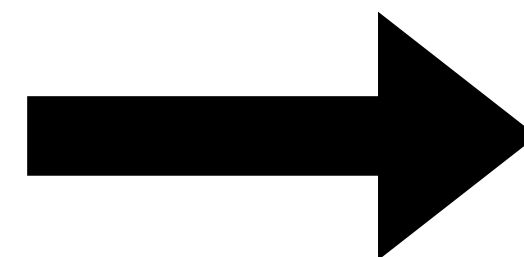
Answer additional questions with a deck

- Legible, simple, and obvious.
- How big is the market?
- What's your progress?
- What's your unique insight?
- What is your business model?
- Who is on your team?
- What do you want?

Be as simple as possible while still being explicit

AFROSTREAM IS A SUBSCRIPTION VIDEO-ON-DEMAND SERVICE WHICH PROVIDES AN UNLIMITED ACCESS TO AFRICAN, AFRICAN-AMERICAN & CARIBBEAN MOVIES AND TV SERIES.

WE BRING A UNIQUE FOCUS TO CONTENT CREATION, DISTRIBUTION AND ENGAGEMENT FOR THE RADICALLY UNDERSERVED BLACK AND BLACK FRIENDLY AUDIENCES.



AFROSTREAM[®]

**Netflix of African
and African American content**



Example deck: AirB&B

Welcome

1

AirBed&Breakfast

Book rooms with locals, rather than hotels.

Problem

2

Price is an important concern for customers booking travel online.

Hotels leave you disconnected from the city and its culture.

No easy way exists to book a home with a local or become a host.

Solution

3

A web platform where users can rent out their space to host travelers to:

**SAVE
MONEY**

when traveling

**MAKE
MONEY**

when hosting

**SHARE
CULTURE**

local connection to the city

Market Validation

4

630,000

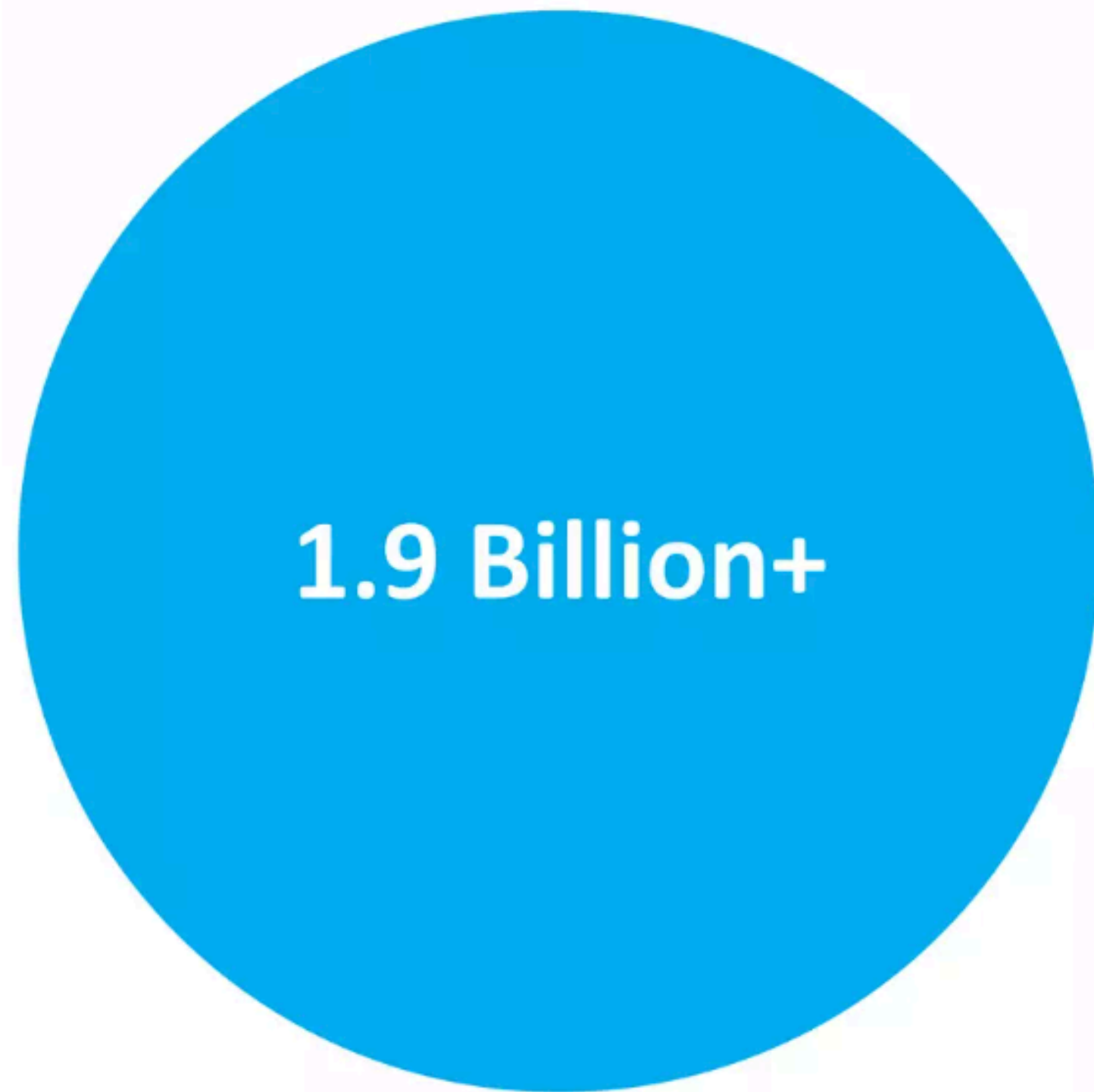
on temporary housing site
couchsurfing.com

17,000

temporary housing listings on SF
& NYC Craigslist from 07/09 – 07/16

Market Size

5



TRIPS BOOKED (WORDLWIDE)

Total Available Market



BUDGET & ONLINE TRIPS

Serviceable Available Market



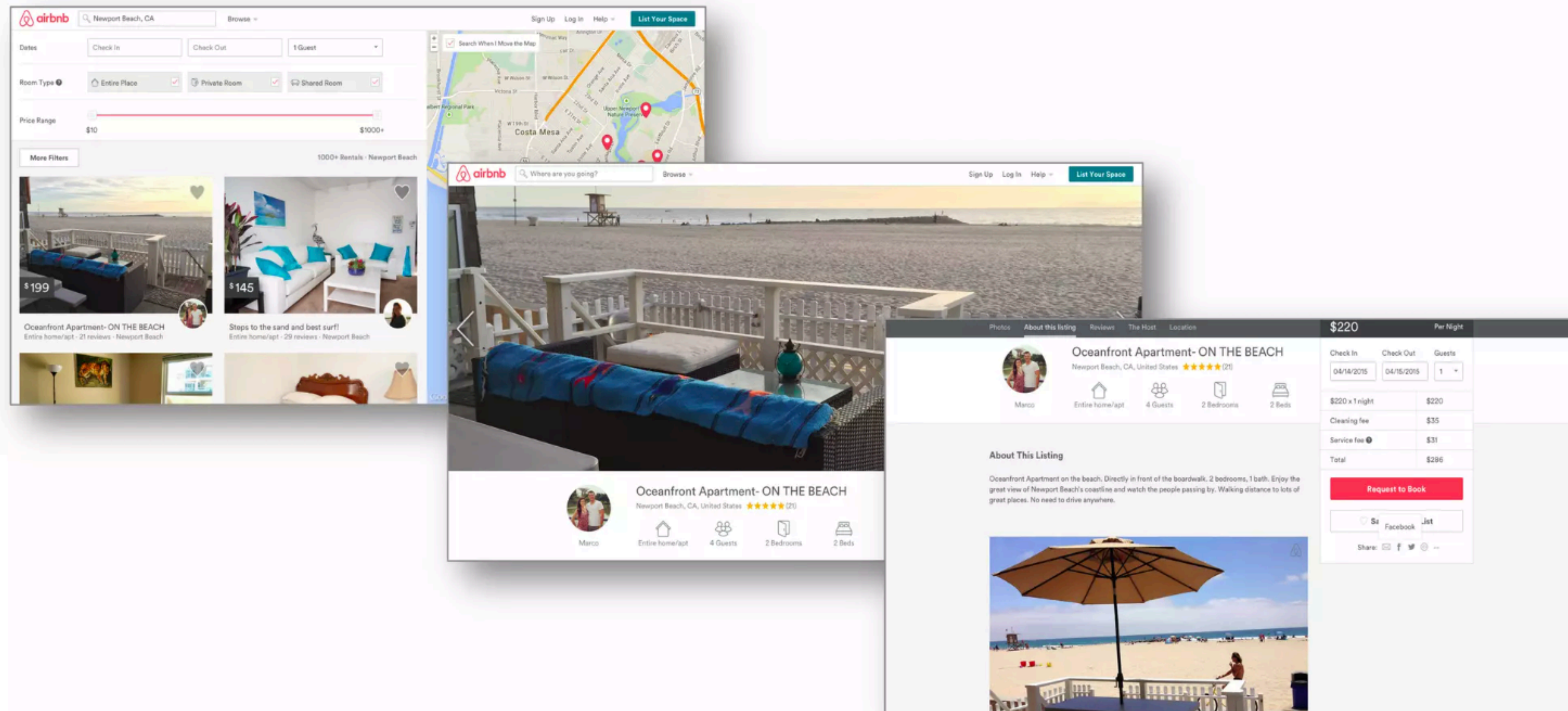
TRIPS W/AB&B

Market Share

Product

6

SEARCH BY CITY —————> REVIEW LISTINGS —————> BOOK IT!



Business Model

7

We take a 10% commission on each transaction.



Market Adoption

8

EVENTS

target events monthly

Octoberfest (6M)
Cebit (700,000)
Summerfest (1M)
Eurocup(3M+)
Mardi Gras (800,000)

with listing widget

Widget screenshot

PARTNERSHIPS

cheap/alternative travel



CRAIGSLIST

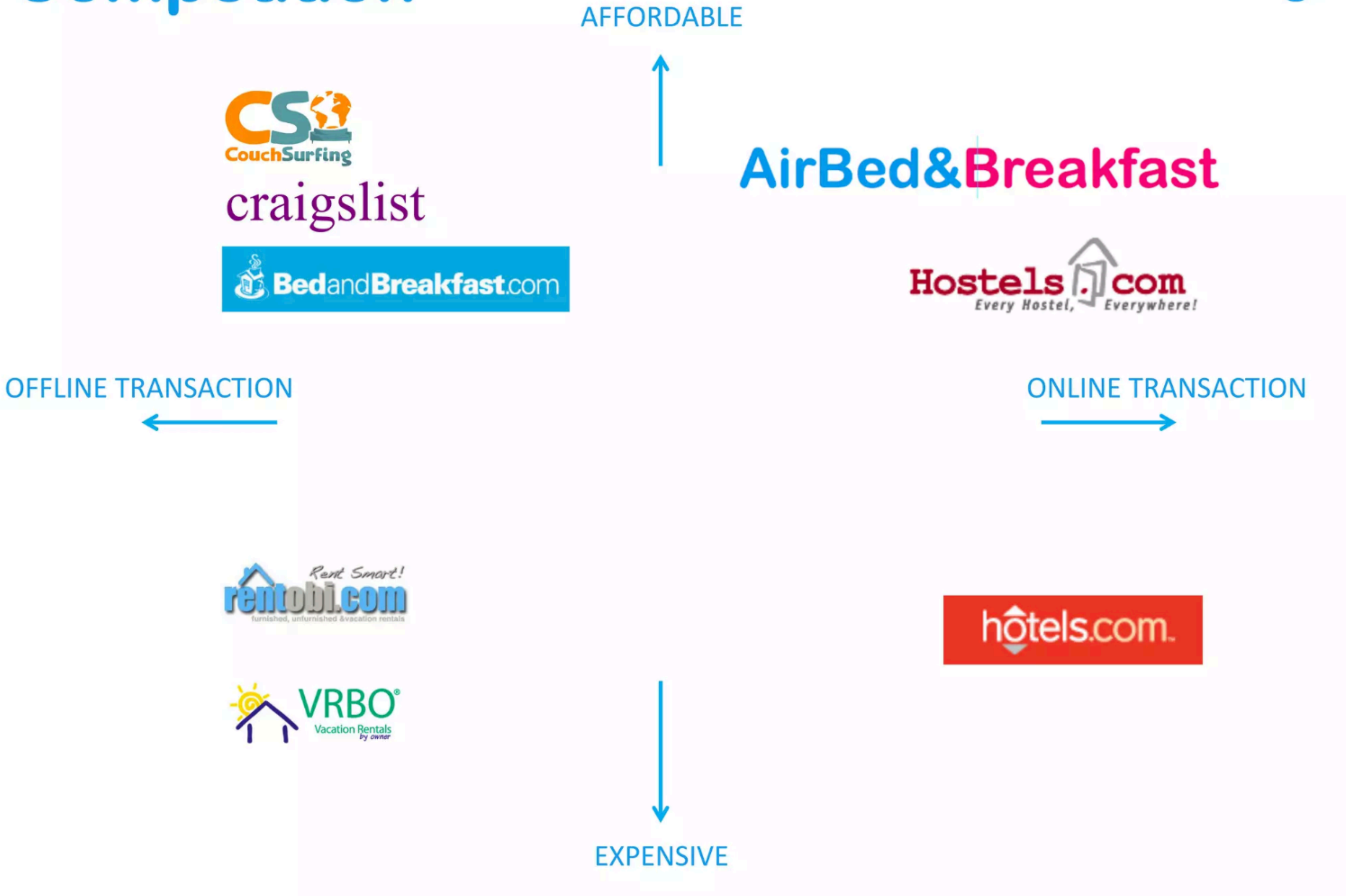
dual posting feature

AirBnB
screenshot

Craigslist
screenshot



Competition



Competitive Advantages

10

1st TO MARKET

for transaction-based temporary housing site

HOST INCENTIVE

they can make money over couchsurfing.com

LIST ONCE

hosts post one time with us vs. daily on craigslist

EASE OF USE

search by price, location & check-in/check-out dates

PROFILES

browse host profiles, and book in 3 clicks

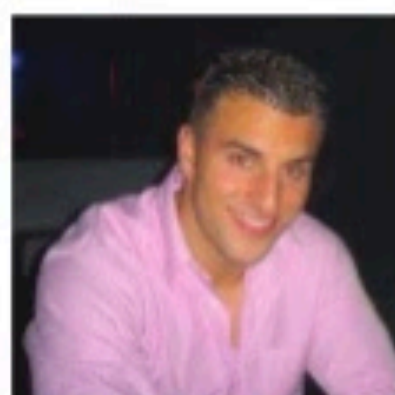
DESIGN & BRAND

memorable name will launch at historic DNC to gain share of mind



Joe Gebbia, User Interface & PR

Entrepreneur and designer. Holds a patent for his product, CritBuns®. A graduate of the Rhode Island School of Design (RISD), has dual BFA's in graphic design and industrial design.



Brian Chesky, Business Development & Brand

Founder of Brian Chesky, Inc, industrial design consultant. A graduate of the Rhode Island School of Design (RISD), has a BFA in industrial design.



Nathan Blecharcyk, Developer

Created Facebook Apps "Your neighbors" (75,000 users) and "Rolodextrous", recently launched "Identified Hits". A graduate of computer science Harvard, Nate has worked at Microsoft, OPNET Technologies, and Batiq.

Michael Seibel, Advisor

Michael is the CEO and co-founder of www.justin.tv, a San Francisco based venture funded start up that delivers live video to the internet.

"AirBed & Breakfast is a fun approach to couch surfing."



www.webware.com

"Think of it as Craigslist meets Hotels.com, but a lot less creepy."



www.joshspear.com

"A cool alternative to a boring evening in a hotel room."



www.mashable.com

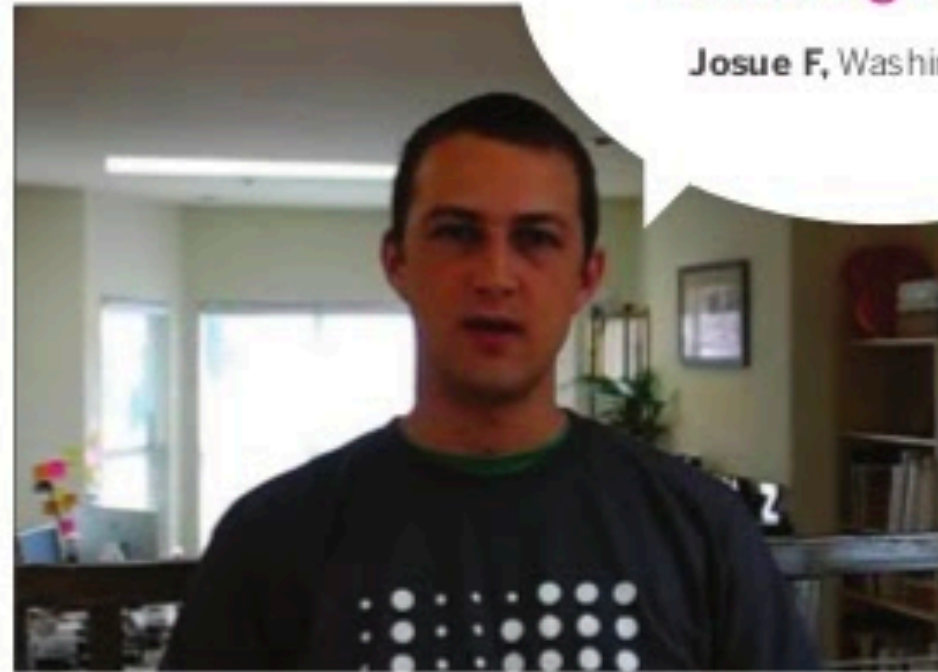
"AirBed's fee-based service could help alleviate concerns about quality of accommodations."



www.springwise.com

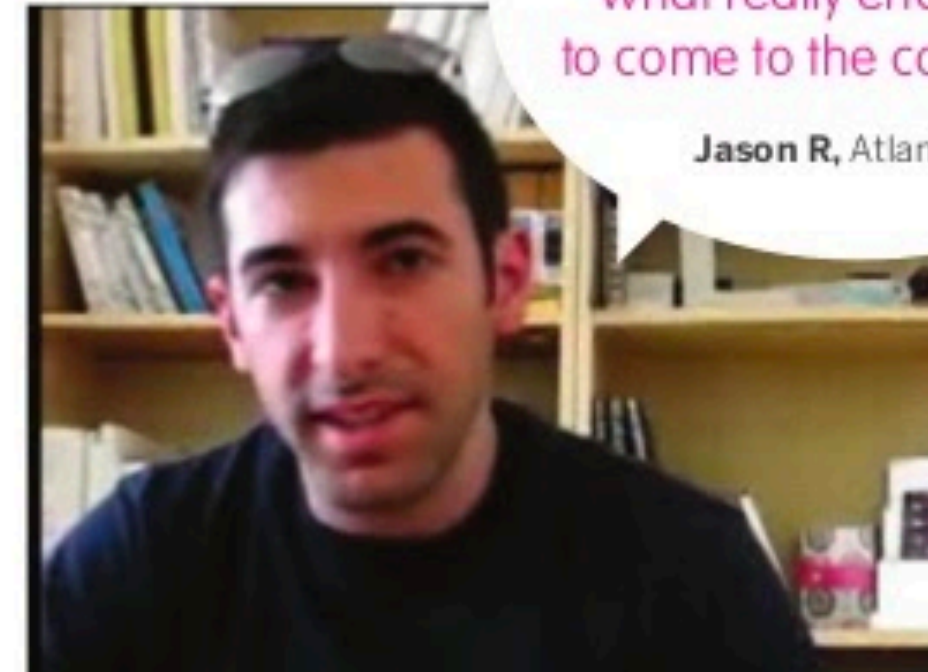
User Testimonials

13



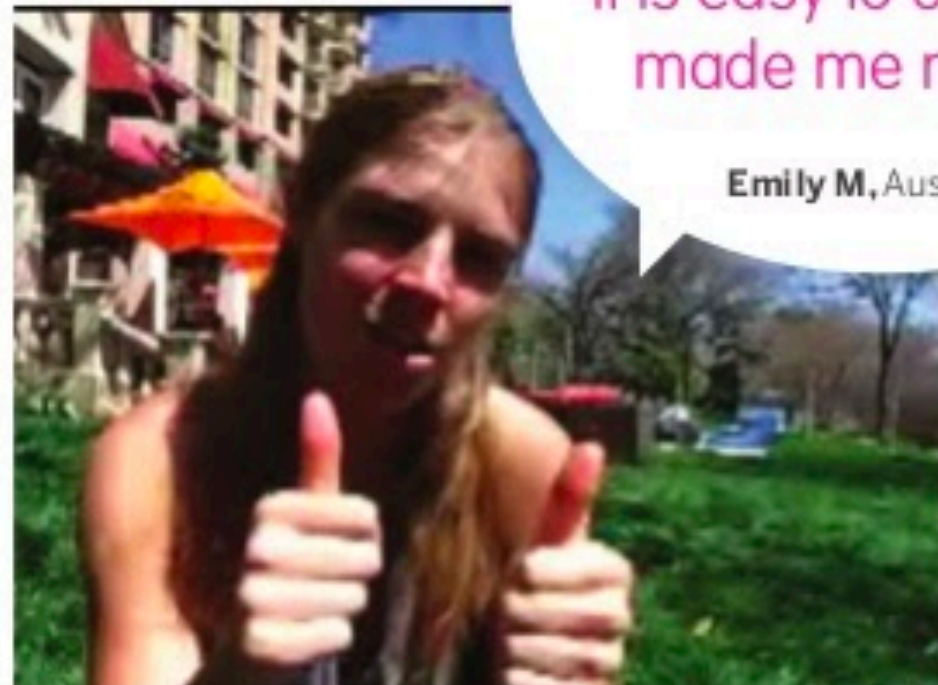
"AirBed&Breakfast
freaking rocks!"

Josue F, Washington, DC



"I found something in
my price-range, and that's
what really enabled me
to come to the conference."

Jason R, Atlanta, GA



"A complete success.
It is easy to use and it
made me money."

Emily M, Austin, TX



"It's about the ideas,
the interactions, the
people. You don't get
that in a hotel room."

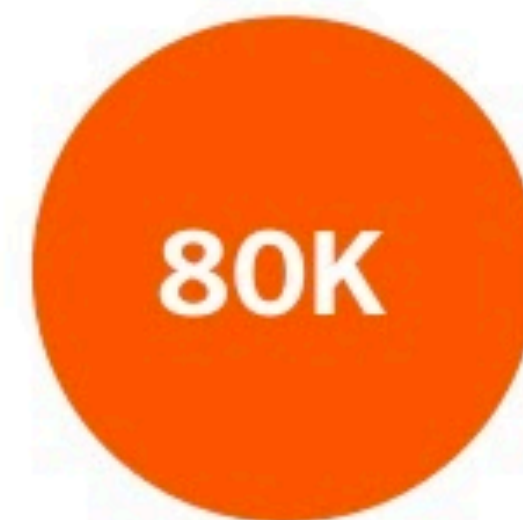
Dan A, Ontario, Canada

We are looking for 12 months financing to reach 80,000 transactions on AirBed&Breakfast.



ANGEL ROUND

initial investment opportunity



TRIPS W/AB&B

avg \$25 fee



\$2M

REVENUE

over 12 months

Reflection

Random insights

How to make forecasts

- What should you estimate?
 - KOM
- Models are always wrong.
 - Don't aim to make the best estimate
 - They will perform due diligence
- Show how you get to your estimates

How to answer clarifying questions

- Bring it full circle
 - Key resources
 - Competitive advantage
- “Yes AND...”
- Eye contact and smile

How to manage your time

- Building your product is priority #1
 - Know when to grow your team

Q&A