

# Cold Outreach Guide

## Does cold emailing potential investors work?

When investors receive so many emails from startup founders daily, it's a fair question to ask.

The truth is this:

**Cold emails *can* work in building a relationship with a potential investor. Not every cold email to an investor will get a reply (many won't), but there *are* some pretty impressive success stories out there.**

Take [Dhruv Ghulati](#), CEO of AI startup Factmata.

Ghulati closed a [\\$1m seed round](#) from some huge names in tech using cold email outreach. These include:

- Mark Cuban (probably every founder's dream VC)
- Craig Newmark (the guy who started Craigslist)
- Biz Stone (one of Twitter's co-founders)

So, yes, cold emails to angel investors can work, as long as you:

- Don't mass email blast everyone on your list
- Remember to do your investor homework first
- Follow our investor email checklist below

## How do you cold email an investment opportunity to an investor? (Our 6-step process)

Are you hoping to join the ranks of founders like Dhruv Ghulati, who've used cold emails to connect with investors and raise funding?

Here's our five-step process to help you convert your leads into investors:

[1. Do your homework](#)

[2. Master how to write a cold email to investors](#)

[3. Beware of spam filters](#)

[4. Use these 7 specific tips in writing cold emails for investors](#)

## 5. Click send and track your results

## 6. Refer to your data when sending follow-up emails

We're also including an investor email template for investors that you can use as a starting point for *your* investment opportunity.

Let's go through each part to understand further how you can apply this six-step process to your email marketing workflow.

### **1. Do your homework**

Preparation is the key to writing a cold email. You've got three goals here:

1. Prove your company is ready to grow.
2. Ensuring your company is a good fit for the potential investor.
3. Gathering enough intel on angel investors to write a personalized email.

This should all happen *before* you start writing your cold email, so close that Gmail tab and check off the following.

#### **Prove your company is ready to grow**

An inspiring business idea is a good start, but it won't be sufficient to convince investors to meet with you.

They'll want to see the *proof* that your idea has growth potential, which generally means you'll need to have gained demonstrable traction.

Examples include:

- A track record of consistent revenue growth
- A stable base of existing customers
- Endorsement from a reputable player in the industry

For instance, when Dhruv Ghulati cold emailed Mark Cuban, he introduced himself as the “founder of a Google-backed startup called Factmata.”

Calling out Google's support gave some credibility to Factmata and was enough to grab Cuban's attention.

#### **Ensure that your company is a good fit for the investor**

Many venture capital investors have very specific requirements for companies they'll consider funding. Some only work with California-based startups, for example, while others only fund tech companies or partner solely with businesses with sustainability initiatives.

Beyond that, many only invest in certain funding rounds. For instance, [Notation Capital is a strictly pre-seed fund](#), meaning pitching them for a Series B is a waste of time.

Before reaching out to an investor, find their investment thesis online, and check that you meet all their requirements.

### **Gather sufficient information on the recipient to write a personalized email**

Start with the [simple stuff](#) like their name (avoid sending a “To whom it may concern” email).

Then, dig a little deeper. Find an old Twitter post you can connect with, or call out one of their previous investments that you admire. Write a personalized section on every cold email you send. Take Allie Janoch, CEO of Mapistry, who used the below email to close a [\\$2.5m seed funding round](#).

---

Date: Thu, Oct 19, 2017 at 5:50 PM  
Subject: Mapistry -- SaaS for environmental regulations -- Fortune 500 Customers -- Seed

Hi Jason,

My name is Allie, and I am the CEO of [Mapistry](#). Mapistry is a SaaS application for environmental regulations at industrial facilities. Environmental regulations are notoriously confusing and complicated, yet the technology used to manage them is usually no more sophisticated than excel spreadsheets and email. This system leaves manufacturing companies vulnerable to multi-million dollar lawsuits and severe damage to their brand.

Traction & numbers:

- customers include Fortune 500 companies like 3M, Republic Services, Tesla and Procter & Gamble
- growing 15% month over month
- September revenue: \$67K
- fully ramped, our existing customer base corresponds to a \$4M run rate.
- United States TAM: \$3.7B (\$1T environmental market globally)

You can check out more details about Mapistry in a short deck [here](#).

I am raising a seed round of funding for Mapistry to maximize on our recent momentum, expand our product to other environmental domains (focused on stormwater to date), and continue to develop software that automates services traditionally provided by environmental consultants.

I've been following SaaStr for a while. In particular, I saw your talk with Veeva from the SaaStr conference and I'd love to talk to you about how we fit into this trend of vertical SaaS. One of the reasons so few companies are using software for environmental compliance is that the only tools available are so unspecific and horizontal that the customizations required are so immense, they become unrealistic.

I liked what Peter had to say about services. We also feel very strongly that we have great people and we aren't going to give their time away for free. We like to think of our environmental services as being paid for sales and/or customer success. In fact, I just did a quick, back of the envelope calculation, and looks like we've been doing about 35% profit margins on our services for 2017, which has been a nice source of revenue for the rest of the company while we get off the ground.

I'd love to schedule a time for a 30-minute phone call or coffee. Do you have any time the week after next?

Allie Janoch  
CEO | [Mapistry](#)

Take note of the last two paragraphs, where Janoch refers to a recent talk her investor gave and adds a few of her own thoughts.

The point here is to make it clear you know who your target audience is and that you're emailing them because you're interested in working with *them*, not just mass emailing a huge list.

## 2. Master how to write a cold email to investors

Emailing VCs is super competitive.

For instance, White Star Capital's Christian Hernandez receives more than [1,000 emails](#) from unique senders every month. Needless to say, when writing cold emails, you have to ensure that your email will cut through the inboxes of your recipients.

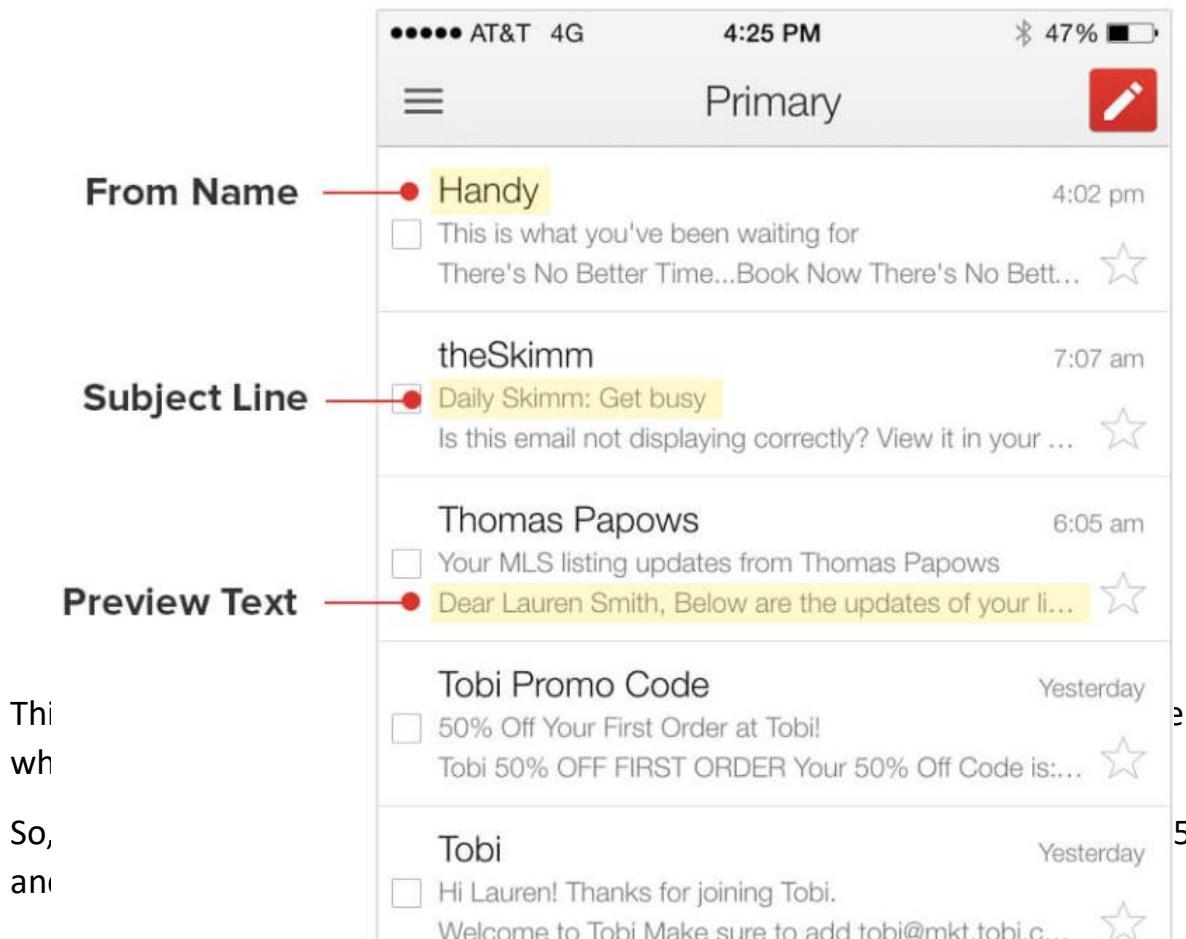
How do you do this? Here are our top tips on how you can make an irresistible cold email that investors would respond to:

### Optimize pre-header text

Hopefully, you're already [optimizing your subject lines](#) for every email you're sending.

But are you focusing on the preheader text, too?

Pre-header text is the short preview of your email displayed in inboxes and mobile notifications, like this:



Current research demonstrates that between [50 and 125 words](#) is the optimal length for cold emails.

We'd recommend erring on the longer side for investor emails since your target audience is likely to want more details than fewer but avoid a wall of text at all costs, too.

### Leverage AI for personalization

Artificial Intelligence can play an instrumental role in [crafting compelling cold emails](#). AI-powered writing assistants can help generate unique and personalized messages, which can leave a lasting impression. However, keep in mind that personalization is more than just including the recipient's name.

Use AI tools to research your prospective investors: learn their investing style, interests, and past investments. Then, craft a message that speaks directly to their unique perspective. AI can help you ensure your email is concise and clearly formatted, but remember, it should not sound robotic.

Your email must still exhibit genuine enthusiasm and a human touch. Personalization demonstrates respect for the VC's time and shows you've done your homework. This gives your email a higher chance of cutting through the clutter and being read.

### **Include a clear CTA**

Your CTA (call to action) tells the reader what you want them to do next.

It's what you're hoping to get back from the investor – for example, feedback on your idea or an expression of interest.

### **3. Beware of spam filters**

The last thing you want is for your email to get flagged as spam by your investor's Email Service Provider.

Unfortunately, this can often happen with emails that appear too promotional or talk about "great opportunities."

When crafting your email copy, avoid [phrases that scammers and spammers often use](#), such as:

- 100% more
- Cents on the dollar
- Extra income
- Financial freedom
- Free trial
- Pure profit
- Risk-free
- Promise you
- Don't delete

This is just a short list of many words that *can* be flagged as spam. So, when in doubt, swap it out.

There are a few other ways you can [improve your email deliverability](#):

- Keep using your email address. Sending hundreds of emails one day and then not using your address for several days after can look suspicious. Use your email address regularly for purposes aside from sending cold pitches en masse.
- Add SPF (Sender Policy Framework) and DKIM (DomainKeys Identified Mail) records. These protocols signify that your email address is authentic and help email servers confirm that you are not a spammer.
- Verify your investor's email first. That is, [ensure that the email address you send to is legitimate and active](#). This will help keep your [bounce rate](#) low (the percentage of rejected emails), which helps maintain your sender reputation.

#### 4. Use these 7 specific tips in writing cold emails for investors

The tactics we've discussed so far apply to cold emailing in general. Here are the seven specific tips for writing a cold email to an investor:

##### 1. Optimize your subject line for investor emails

Nearly half ([47%](#)) of people decide to open an email based on the [subject line](#) alone.

Remember: the subject line is the first thing recipients see and your first shot at getting through to an investor.

Avoid bland, ambiguous subject lines like “investment opportunity,” “10 minutes of your time,” or “investment idea.” Email subject lines like these don't tell your readers *why* they should open your email. Since these are what every other founder is writing, they will not help you stand out.

Instead, use your subject line to tell your investor exactly who you are and what makes you a valuable investment.

Here are some examples of excellent subject lines for investor emails:

- Subscription-based talent suite with SHRM backing
- Airbnb for the event space seeking \$200k pre-seed
- Biotech startup with 400% YOY growth

## **2. Be straightforward**

Investors hate emails that avoid sharing critical details (like current growth trajectories) but still ask for their attention. They also hate long-winded emails that overshare or beat around the bush.

Finding that happy medium is your key to connecting.

Keep your email short and simple, and share the most critical information.

Three key things to bear in mind:

1. Show them why your startup is a good match
2. Build a personal connection – explain why you're emailing them and not other investors
3. Highlight key figures such as your current revenue and growth, market potential, and what kind of funding you're seeking

Aside from this, avoid stuffing your email with links and images. Investors should be able to grab all the info they need from your email rather than dig through 20 links to various market research studies or founder profiles.

## **3. Ask, don't sell**

This isn't your chance to pitch. That comes when you [secure a meeting](#) with the investor.

“So, my email shouldn't ask for a meeting with the investor?” you ask.

Well, yes.

[Michael Seibel](#) of Y Combinator, one of the biggest startup accelerators around, lists this as one of his top three pet peeves in cold investor emails.



**Michael Seibel** @mwseibel

Now that demo day is wrapping up I'm getting through a backlog of about 1000 emails from non-yc founders who have reached out to me. Three most common mistakes in these emails....



**Michael Seibel**  
@mwseibel

- 1) Not saying what you are working on.
- 2) Not writing a concise email.
- 3) Asking for a meeting up front.

Here is some advice on how to ask for advice:

372 Likes    43              7 Replies  
Retweets

So don't pitch, and also, don't ask for a meeting to pitch.

Instead, include your pitch deck (which allows the investor to dive into the details if they're interested), and ask for specific feedback, for instance:

"I'd love to hear what you think about this part of our proposal...."

#### **4. Refrain from apologizing**

Drop the "Sorry for cold emailing you" from your email intros.

You're not sorry (or you wouldn't do it), and you have no reason to be – this is how investor outreach works.

While you're at it, you can avoid other vague pleasantries like "I hope you're doing well" and "Nice to digitally meet you."

Get straight to your point. Investors are busy people, and their time is valuable. They'll be glad you recognize this.

#### **5. Send the email from your CEO or founder email address**

Avoid using a group (e.g., hello@yourdomain.com) or generic (e.g., ceo@yourdomain.com) email address when contacting founders, and whatever you do, don't send the email from your personal address.

Using a company email address shows you're legit and committed (something investors require). Using one with your name and profile pic assists in building

a personal connection with your recipient and helps them verify that you're a real person.

## 6. Sell the dream, but don't overreach

While your cold email to an investor shouldn't be a sales pitch, you *do* want to get them excited and inspired by your idea.

A tricky balance, yes, so the best way to find a good middle ground is to use cold hard numbers.

Recall the beginning of Allie Janoch's cold email:

Date: Thu, Oct 19, 2017 at 5:50 PM  
Subject: Mapistry -- SaaS for environmental regulations -- Fortune 500 Customers -- Seed

Hi Jason,

My name is Allie, and I am the CEO of [Mapistry](#). Mapistry is a SaaS application for environmental regulations at industrial facilities. Environmental regulations are notoriously confusing and complicated, yet the technology used to manage them is usually no more sophisticated than excel spreadsheets and email. This system leaves manufacturing companies vulnerable to multi-million dollar lawsuits and severe damage to their brand.

Traction & numbers:

- customers include Fortune 500 companies like 3M, Republic Services, Tesla and Procter & Gamble
- growing 15% month over month
- September revenue: \$67K
- fully ramped, our existing customer base corresponds to a \$4M run rate.
- United States TAM: \$3.7B (\$1T environmental market globally)

You can check out more details about Mapistry in a short deck [here](#).

I am raising a seed round of funding for Mapistry to maximize on our recent momentum, expand our product to other environmental domains (focused on stormwater to date), and continue to develop software that automates services traditionally provided by environmental consultants.

I've been following SaaStr for a while. In particular, I saw your talk with Veeva from the SaaStr conference and I'd love to talk to you about how we fit into this trend of vertical SaaS. One of the reasons so few companies are using software for environmental compliance is that the only tools available are so unspecific and horizontal that the customizations required are so immense, they become unrealistic.

I liked what Peter had to say about services. We also feel very strongly that we have great people and we aren't going to give their time away for free. We like to think of our environmental services as being paid for sales and/or customer success. In fact, I just did a quick, back of the envelope calculation, and looks like we've been doing about 35% profit margins on our services for 2017, which has been a nice source of revenue for the rest of the company while we get off the ground.

I'd love to schedule a time for a 30-minute phone call or coffee. Do you have any time the week after next?

Allie Janoch  
CEO | [Mapistry](#)

Janoch  
growth  
market

and  
le

## 7. Prove that you're a fit for them

Recall one of the first steps we discussed in this guide: Determining that your company is a good fit for the investor you're considering emailing.

You should do this for your own sake (because emailing investors who aren't a fit is a waste of time), but you should also make an effort to make clear to your recipient that you've done your research.

This doesn't need to be much. For example:

"I understand you're currently looking for Series A funding opportunities in the energy tech sector."

Then, go on to explain how your company meets those requirements.

## 5. Click send and track your results

You've done all the legwork. It's time to send off your first investor email.

It's wise to take advantage of [email tracking tools](#) to understand performance and get the most out of your time investment.

With capable email tracking software, you'll be able to understand:

- When your investor opens your email
- How many times they've opened your email
- If they've clicked any of the links in your email

These [metrics](#) give you insight into engagement.

You'll know if your subject line is effective (your open rate will be high), and you'll be able to identify the most interested investors (those who've opened your email several times or clicked on a link).

## 6. Refer to your data when sending follow-up emails

Sending follow-up emails after a cold email might be nerve-racking, but at times, it's necessary. You don't want to follow up too soon, yet you don't want to wait too long.

The best way to know when you should follow up on your lead is their action. By tracking your emails, you would know the leads who opened and clicked through your emails. For these leads, it's best to send a simple follow-up email no later than three days.

Since you know they are already interested in your proposal—a simple nudge will do.

*"Hi, [Investor Name].*

*Just checking in to see if you received our last email. We just recently hit our monthly revenue target of \$50,000, and we'd love to share our process with you."*

It's best to send this follow-up email as a reply to your first email so they can refer to the previous information you shared.

On the other hand, it's highly recommended to fully re-calibrate your follow-up email when following up on investors who didn't open or click through your first cold email.

Refrain from resending your first email. Chances are, it will just go through their spam folders. Worse, your potential investors may even block you.

### **Investor outreach email template**

While we recommend crafting your emails from scratch (to ensure they reflect your own voice and are hyper-personalized to your audience), we do understand the need to get started quickly.

Use this investor cold email template as inspiration and as a starting point for your own email:

*Hi [investor first name],*

*I'm [your name], founder of [company name], a [category your product fits into] that [primary product value propositions].*

*We're a team of [number of employees and expertise], working to help [your target market] solve [target audience pain point]. [Your product name] solves this by [how your company solves that pain point].*

*We're looking to [your goal] to capitalize on our current growth trajectory:*

- *[Number that demonstrates a positive growth signal and "sells the dream"]*
- *[Number that demonstrates a positive growth signal and "sells the dream"]*
- *[Number that demonstrates a positive growth signal and "sells the dream"]*

*I saw [personal connection - a social media post, a LinkedIn announcement, a recent talk, an investment success, etc.] and [your thoughts and/or question].*

*I'm interested in working with [VC firm name] because [how and why your company is a fit based on their investor prospectus].*

*I've attached a copy of our pitch deck for further details, but I'd love to know [question for the investor].*

*Thanks in advance for your time,*

[Your name]

While this template is created based on the best practices of writing seed funding email templates, know that there is no one-size-fits-all when emailing your investor. It may take a while before you hit that golden template that will truly resonate with your investors.

For this reason, remember to always mind your open and click-through rates when sending new email templates to your leads!

### **Write the perfect cold email for investors and manage your leads**

Mastering the art of cold emailing potential investors might be challenging, but it's certainly achievable.

You need to find a personal connection and to demonstrate why you're a good fit (based on their investor prospectus).

To give yourself a leg up on the competition, ensure to [track and manage investor communications effectively](#) to cut through the noise.

How do you achieve that goal?

Start by managing your leads and tracking emails to potential investors.

### Pitch Deck Templates-

[https://pitch.com/templates/collections/Pitch-deck?utm\\_source=google&utm\\_medium=paid&utm\\_medium=cpc&utm\\_campaign=21178354511&utm\\_campaign=retargeting&utm\\_term=&utm\\_content=&hsa\\_acc=2306551543&hsa\\_cam=21178354511&hsa\\_grp=&hsa\\_ad=&hsa\\_src=x&hsa\\_tgt=&hsa\\_kw=&hsa\\_mt=&hsa\\_net=a\\_dwords&gad\\_source=1&gad\\_campaignid=22999756943&gbraid=0AAAAApYH9K40NQPfyWC4g50q7bypiRzR&gclid=Cj0KCQiA5uDIBhDAARIsAOxj0CETzIHejLfohg8Qc0VA9WUEzvIP8S2ddaQTeCYJI3ITEddEsf9YEF8aAvk9EALw\\_wcB](https://pitch.com/templates/collections/Pitch-deck?utm_source=google&utm_medium=paid&utm_medium=cpc&utm_campaign=21178354511&utm_campaign=retargeting&utm_term=&utm_content=&hsa_acc=2306551543&hsa_cam=21178354511&hsa_grp=&hsa_ad=&hsa_src=x&hsa_tgt=&hsa_kw=&hsa_mt=&hsa_net=a_dwords&gad_source=1&gad_campaignid=22999756943&gbraid=0AAAAApYH9K40NQPfyWC4g50q7bypiRzR&gclid=Cj0KCQiA5uDIBhDAARIsAOxj0CETzIHejLfohg8Qc0VA9WUEzvIP8S2ddaQTeCYJI3ITEddEsf9YEF8aAvk9EALw_wcB)