

## Elevator Pitch

Every entrepreneur needs an elevator pitch. The name elevator pitch comes from the idea that when you get on an elevator and meet someone there, whom you find useful to your venture, you are going to sell your business idea and make an impact by the time you reach the destination on that elevator. An elevator pitch is a way to share your expertise and credential quickly and effectively with the people who don't know you. Accordingly, an elevator pitch may require one minute to pitch your business proposal. An elevator pitch is a succinct summary of a business proposal. An elevator pitch is like the short summary version of a business plan.

The elevator pitch is an exercise that will make a business focus on the value proposition. A good elevator pitch should convey information about what the business will offer, why it is valuable and what is its uniqueness. The key components of a good elevator pitch are: Define the problem; Describe your solution; Know your target market; Describe the competition; Explain who's on your team; present your business model and provide milestones and schedule. The most important things to be considered, while you are pitching your business proposal are:

1. Introduce yourself and find out to whom you are pitching.
2. Pitch with passion. The first impression is the best impression.
3. Demonstrate that you understand customer need. Show how their needs are unmet by your competitors. Explain the concept and the salient features of your business plan.
4. Customize the pitch based on to whom you are pitching.
5. Summarize your business plan in few sentences.
6. Explain, how you are going to raise finance for your venture.
7. Be clear about, what you want to get out of the pitch.
8. Explain why a potential investor should invest in your business proposal.
9. Develop a script for your pitch, to describe the problem and how you can solve it and market it. Rehearse your elevator pitch and make it interesting.
10. Keep refining your pitch based on the feedback you receive and results you achieve.
11. Remember you are not giving your whole pitch in the elevator; you are just trying to make them listen.
12. It is just like a trailer or teaser and the movie comes later.
13. At the end take an appointment for the detailed discussion.
14. Offer your business card at the end and also do not forget to collect a business card of the person to whom you have pitched.
15. The best place to pitch business plan is business conferences, business plan competitions, professional forums, meetings, in front of investors, and so on.

## Examples of Elevator Pitch

- **Rainwater Harvesting System - Catch it before it slips:** We are in the planning stages of opening a rainwater harvesting company in Belagavi city, which will focus on providing the best customer experience with the competitive cost. Belagavi is the administrative headquarters of the eponymous Belagavi division and Belagavi district. Belagavi city has selected in the first phase out of 20 cities, as one of the hundred Indian cities to be developed as a smart city under PM Narendra Modi's flagship Smart Cities Mission. Rainwater harvesting offers the kind of low cost, minimal technology option that makes it appealing to a larger section of the urban population. The population of Belagavi City is around 7,00,000. The rainy season is uncertain and scanty. The rainwater harvesting system provides a solution to this problem. The promoter team comprises of environmentalist, engineer, and architect.

Rainwater offers advantage is naturally soft (unlike chemical treatment), to meet the increased groundwater supply requirement, there is a easy and cheap in giving the complete

- **Garbage to Garden** will focus on providing administrative head city has selected in oped as a smart city drinking water and to a larger section Providing 24\*7 drinking is an essential requirement. The problem. The pro

For the success The Garden app advantages as a removal of garbage Garden application HESCOM to be uploaded in the in giving a com

## Oral and Visual

It is necessary to prepare in cases such as when partners and investors should be prepared to supply information such

## DISCUSSION

## WHY DO

Like any other Some business Failure to customer The entrepreneur needs can

Rainwater offers advantages in water quality for both irrigation and domestic use. Rainwater is naturally soft (unlike well water), contains almost no dissolved minerals or salts, is free of chemical treatment, and is a relatively reliable source of water for households. Thus, in order to meet the increasing demand of water, reduce groundwater contamination, and supplement groundwater supplies during lean seasons, lower water bills and have a positive impact on the environment, there is a need for rainwater harvesting system, with an application software, which is easy and cheap in maintenance. Our system is unique and we have first mover advantage in giving the complete solution in Belagavi City.

- **Garbage to Garden:** We are in the planning stages of developing an application software, which will focus on providing the best customer experience with the competitive cost. Belagavi is the administrative headquarters of the eponymous Belagavi division and Belagavi district. Belagavi city has selected in the first phase out of 20 cities, as one of the hundred Indian cities to be developed as a smart city under PM Narendra Modi's flagship Smart Cities Mission. Providing 24\*7 drinking water and removal of garbage with minimal technology option that makes it appealing to a larger section of the urban population. The population of Belagavi City is around 7,00,000. Providing 24\*7 drinking water supply, uninterrupted flow of electricity, and removal of garbage is an essential requirement of smart city project. The garden app provides a solution to this problem. The promoter team comprises of environmentalist, engineer and architect.

For the success of Smart city project, there is a need for Public, Private Partnership (PPP). The Garden application software is based on this concept. Garden application Software offers advantages as a facilitator in providing 24\*7 water supply, uninterrupted flow of electricity and removal of garbage. Any area within the city limits is facing availability of these needs, the Garden application software may be used to lodge a complaint to Belagavi City Corporation and HESCOM to set right these issues within 15 min. In case of garbage, the photo of location can be uploaded in the application software. Our system is unique and we have first mover advantage in giving a complete solution to these problems in Belagavi City.

## Oral and Visual Presentation

It is necessary to prepare for an oral presentation of a business plan. The oral presentation is required in cases such as when the entrepreneur is participating in a B-plan competition; in front of potential partners and investors; for potential customers and other stake holders in the business. The presentation should be carefully structured and a script can be prepared. A good set of slides should be prepared to support the oral presentation.<sup>5</sup> The visual presentation enables the presentation of visual information such as product images, charts, graphs, and numerical tables.

### DISCUSSION FORUM

- What are the points to be considered while writing a business plan?
- What are the points to be considered while presenting a business plan?

## WHY DO SOME BUSINESS PLANS FAIL?

Like any other project, writing a business plan needs careful planning and systematic execution. Some business plans fail because of the following reasons.<sup>6</sup>

- **Failure to address the customer's problems and needs:** The business plan should address the customer's problems/needs/wants. It should clearly state how big the business opportunity is. The entrepreneur should document customer pain points before preparing the plan. Customer needs can be identified from direct experience, letters from customers, or from market research.



## 7.1 STARTING OLA

After his graduation from IIT Bombay, Bhavish worked for Microsoft for 2 years. He left his high paying job at Microsoft to start an online company olatrip.com to sell online short duration tours and holidays. He didn't get any response on olatrip.

"Do you want to be a travel agent", that is what his father said to him when he first shared his **business plan** with his father. In the beginning, his parents did not agree with this idea. Later they were convinced when the venture took off. His father suggested him to do MBA, but he followed his dream to explore this industry. During this time, he rented a car from Bangalore to Bandipur and has a very bad experience. The driver stopped the car in the middle of the journey and started re-negotiating the deal. When Bhavish refused to agree to his revised terms, the driver proceeded to abandon him en-route his destination.

Because of this first-hand experience, of such a problem, Bhavish identified a business opportunity. After meticulous **feasibility study**, he realized it was a genuine and deep-rooted problem in the cities. Most of the customers had fallen prey to such situations and were eagerly looking for quality cab

service. He envisioned the amount of potential a cab booking service could have, and he changed his earlier route to start a business of olacabs. Instead of complaining about the problem he faced, Bhavish just went ahead and solved it. He sometimes himself picked up passengers if there was no available driver.

OLA received the first round of angel investment from Snapdeal founders. OLA has received a funding of \$ 676.8 million from investors such as: Soft Bank, ABG Capital, Accel partners, Mauritius investments, Tiger Global Management, Matrix Partners, Steadview Capital, Sequoia Capital and DST Global. Their valuation in the year 2018 is \$ 10 Billion. The funding came in as a stamp of approval for the idea and the growth has led the market to believe in OLA. Today OLA has 60% market share.

OLA's first office was a 10\*12 feet room in Mumbai. Bhavish co-founded OLA in the year 2010 along with his batchmate Ankit Bhati. OLA is India's most popular mobile app for personal transportation and provides mobility for a billion of Indians. The official website of OLA is [www.olacabs.com](http://www.olacabs.com).

## 7.2 OLA BUSINESS MODEL

OLA cabs are one of the most innovative business models of the modern era. The business model works on a very simple concept. OLA cabs partnered with a number of cab owners. OLA cabs act as a facilitator for cab booking services to customers through multiple channels. Ola serves as an efficient taxi aggregator and bridges the gap between cab owners and commuters. It is a web and mobile-based application that allows users to search and book for cabs. The company added a touch of modern technology to the whole set up, where customers could book cars at short notice through their mobile phone app, call centers, internet and telephones. Today OLA is Indian answer to UBER. The founders believe that OLA is not just about customers' comfort, but also about helping thousands of drivers across the country to become entrepreneurs.

Both customers and drivers use an OLA app. The drivers get access to a driver mobile app on their

mobile once they register with OLA. Thorough checking of the authenticity of drivers and operators is carried out in the beginning. The drivers are given training before they start working with OLA. They have the flexibility to decide their own time to login and log out to OLA app and accept requests for rides. The founders took all India permit vehicles. The service was given both inside and outside the city. OLA didn't buy even a single car, instead rented them. The source of revenue for OLA is the commission for each ride. The costs they incur are also quite low as they majorly have to invest only in the technology. Ola takes a commission of about 15% on all the booking done through the app. Today OLA has been expanding the range of services, such as two wheelers, three wheelers, four wheelers and six wheelers. OLA has launched a program called "Mission: Electric" to put one million electric three-wheeler auto rickshaws on the road by 2021.

Why do

- Failu
- Unre
- Lack
- Lack
- Lack

- Unrealist
- informa
- neur are
- goals set
- bound (S

- Lack of
- committ
- tors will
- expect th
- complete
- enthusia

- Lack of
- entrepre
- experien

- Lack of
- should
- business

## 7.3 QU

- Then
- We u
- Mon
- Bein
- I des
- Wa
- Mor
- We
- Cor
- Pec
- Pec
- The
- Ev
- Ne

#### Why do some business plans fail?

- Failure to address the customer's problems and needs
- Unrealistic goals set by the promoters
- Lack of commitment to the business by the promoters
- Lack of experience of the promoters
- Lack of professionalism



- **Unrealistic goals set by the promoters:** Setting goals requires the entrepreneur to be well informed about the type of business and the business environment. The goals set by the entrepreneur are based on data and the business plan is no good if it does not include a lot of data. The goals set by the entrepreneur should be Specific, Measurable, Achievable, Realistic, and Time-bound (SMART). The financial and market projections should be realistic, logical, and reasonable.
- **Lack of commitment to the business by the promoters:** The promoters must make a total commitment to the business in order to be able to meet the demands of a new venture. Investors will not be interested in a venture that does not have committed promoters. Investors also expect the promoter to make a significant commitment to the business. It is also required to have complete focus on the business especially if it is a new venture and promoters should not be over enthusiastic in trying to do all things at once.
- **Lack of experience of the promoters:** A lack of experience will result in failure unless the entrepreneur can either attain the necessary knowledge or team up with others who already have experience in this area.
- **Lack of professionalism:** The business plan should be brief, clear, and nicely organized. It should highlight those points that can attract investors. The assumptions made in preparing the business plan should be realistic.

#### 73 QUOTES OF BHAVISH AGGARWAL

- There is space for different kinds of players. I don't feel that the market's capping out anytime soon.
- We understand the Indian context better than our competitors.
- Money is not the thing that wins the market. It is an experience.
- Being a very aggressive company, it is not everyone's cup of tea and finding the right people is invaluable.
- I devote a lot of time to hire the right people.
- We want to keep the crux of our culture constant as we evolve and grow.
- More than a skill match, we're looking for the culture match.
- We have faced global competition early on compared to e-commerce players.
- Competition is good for the consumer.
- People previously used to lust after cars, now they lust after phones.
- People want the latest phone and not the latest car any more.
- The mobile will be a key aspect of the next decade of consumption.
- Every business will be re-written using mobile.
- New business should just think mobile first and build for it immediately.