

# Summary of *Persuading Investors: A Video-Based Study*

Allen Hu, Song Ma (Working paper, 2021)

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## 1. What are the research questions?

- How do pitch delivery features impact funding acquisition and what are the economic explanations?

## 2. Why are the research questions interesting?

- Exploring pitch delivery's impact on funding is crucial for entrepreneurs' economic decisions
- Investigating how pitch features affect investor decisions reveals nuanced evaluation factors
- Understanding economic explanations for delivery's impact with ML methods

## 3. What is the paper's contribution?

- Extending existing literature on interpersonal persuasion by emphasizing the importance of delivery features alongside content and framing studies
- Introducing innovative ML method for analyzing unstructured video data
- Extending literatures on persuasion with pitch videos rather than persuasion in marketing, politics and stocks

## 4. What hypotheses are tested in the paper?

- H1: The pitch factors positively influences the securing funding for startup teams
- H2: The pitch factors aid investors in making better decisions of funding startups

### a) Do these hypotheses follow from and answer the research questions?

- Yes, show delivery work, through form inaccurate beliefs.

### b) Do these hypotheses follow from theory? Explain logic of the hypotheses.

- H1: Positive pitch factors means startup teams are good, increasing the likelihood of funding
- H2: Good pitch delivers good information to investors, influence their funding preference

## 5. Sample: comment on the appropriateness of the sample selection procedures.

- Differences in data quality in LinkedIn profiles could introduce missing information, affecting the reliability of variables

## 6. Comment on the appropriateness of variable definition and measurement.

- Dependent variable: Funding acquisition (binary outcome: received funding or not)
- Independent variables: Pitch factors(pos and neg)
- Perhaps no need to categorize pitch factors into pos and neg before ML, too subjective

## 7. Comment on the appropriateness of the regress/predict model specification.

- Logistic regression is well-suited for modeling binary outcomes
- Control variables like appearance, skin color and clothing need literature support

## 8. What difficulties arise in drawing inferences from the empirical work?

- Unobserved factors such as the connection between presenters and investors influence both the pitch quality and investment decisions

9. **Describe at least one publishable and feasible extension of this research.**

- Longitudinal study: tracking startup performance post-accelerator funding to assess the lasting impact of pitch delivery features on venture success over time