

The elevator pitch

Presenting your idea

GIUSEPPE.PRENCIPE@UNIFI.IT

What kind of pitch?

- It depends (kind of audience)
 - Investors?
 - Technical?
 - For the exam :D :D
 - In any case, it must be **personal**
 - Like a **tailored suit**
-

You need money (investors audience)

- Hence you have to ask for them....**properly!**



The elevator pitch

- An **elevator pitch**, elevator speech, or elevator statement is a short description of an idea, product, or company that explains the concept in a way such that **any listener** can understand it in a short period of time
- This description typically explains who the thing is for, what it does, why it is needed, and how it will get done



The elevator pitch

- Finally, when explaining an individual person, the description generally explains one's skills and **goals**, and **why** they would be a productive and beneficial person to have on a team or within a company or project
- An elevator pitch **does not have to include all of these components**, but it usually does at least explain what the idea, product, company, or person is and their value
- The name—elevator pitch—reflects the idea that it **should be possible to deliver the summary in the time span of an elevator ride**, or approximately **thirty seconds to two minutes**



3 TO 5 MINUTES

The elevator pitch

- It is basically a story, and you have to drive your audience through it

THERE IS A **HERO** THAT SOLVES AN
IMPORTANT PROBLEM IN A CLEVER WAY...

AND HEROES ALWAYS BRING **BENEFITS!**

Target your audience

- An elevator pitch can be used to entice an investor or executive in a company, or explain an idea to a founder's parents. The goal is simply to convey the overall concept or topic in an exciting way. Unlike a *sales pitch*, there may not be a clear buyer–seller relationship
 - The *Idaho Business Review* suggests individuals who use an elevator pitch deliver it using simple language, and avoiding statistics or other language that may disrupt the focus of the listener
 - *Bloomberg Businessweek* suggests that an important lesson to think about when giving an elevator pitch is to "**adjust the pitch to the person who is listening**, and refine it as you and your business continue to grow and change."
-

Be clear (first to yourself)

- You need to know what to say!



1. The problem

- **Never with the solution!**
- Make it personal (tell a - short - story)
 - If **you** have this problem, maybe **others** have it, that might be interested in what you have to say

**YOU MIGHT EVEN MIX THE OTHER PARTS, BUT
KICKING OFF WITH THE PROBLEM IS BETTER!**

2. The market

- Describe the arena you will compete in!
- Convince that you know it (again, the problem is yours!)

NUMBERS THAT ANYONE CAN UNDERSTAND

The market



WORLD MARKET

Some number



TARGET MARKET

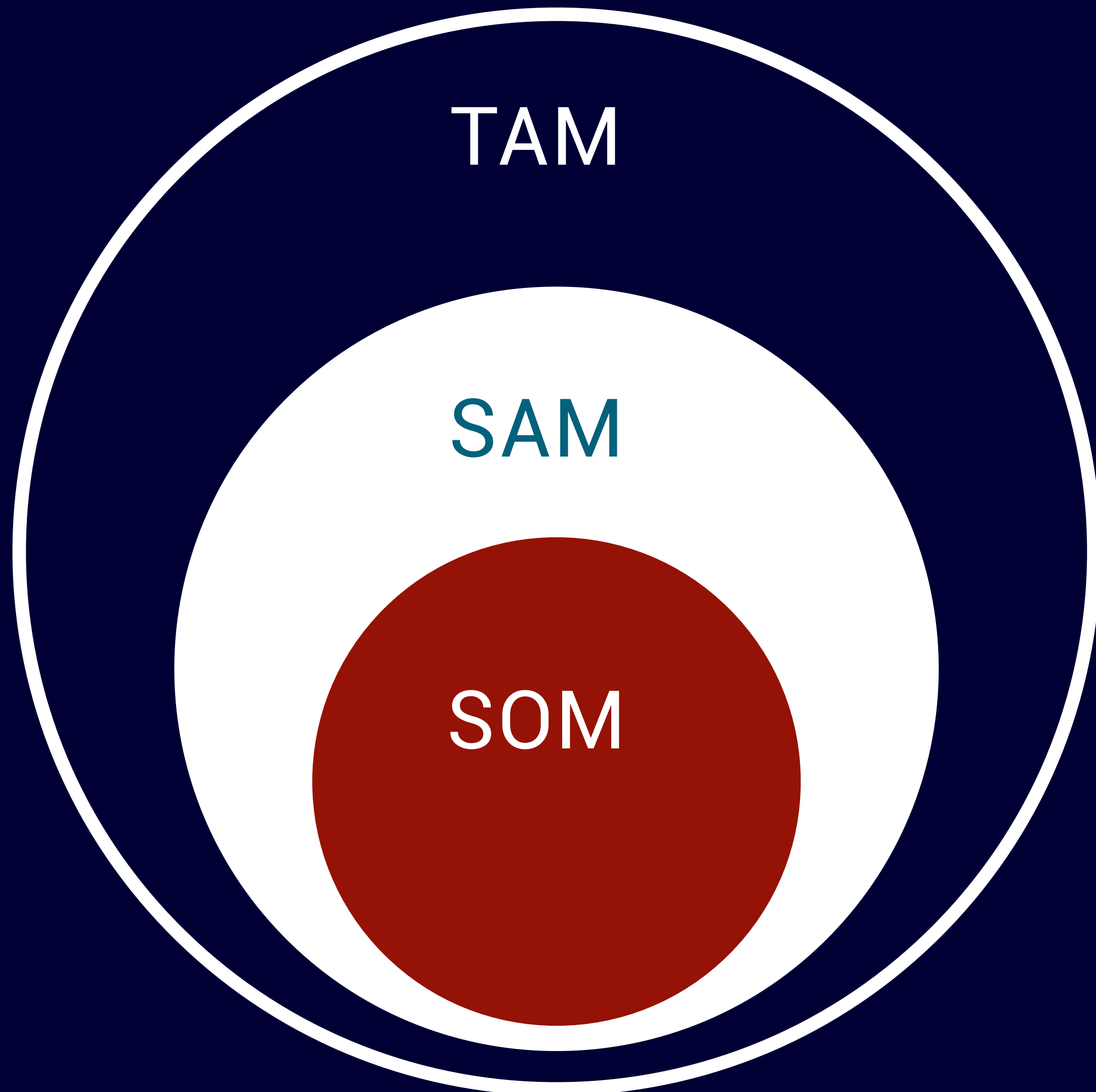
A smaller number



INITIAL MARKET

Your number

The market



Total Addressable Market
Maximum market size

Served Available Market
Share of that market that fits
your startup (area, customers, etc.)

Serviceable Obtainable Market
Share of that market that
you can reach

3. The solution

- Your product
- Value creation

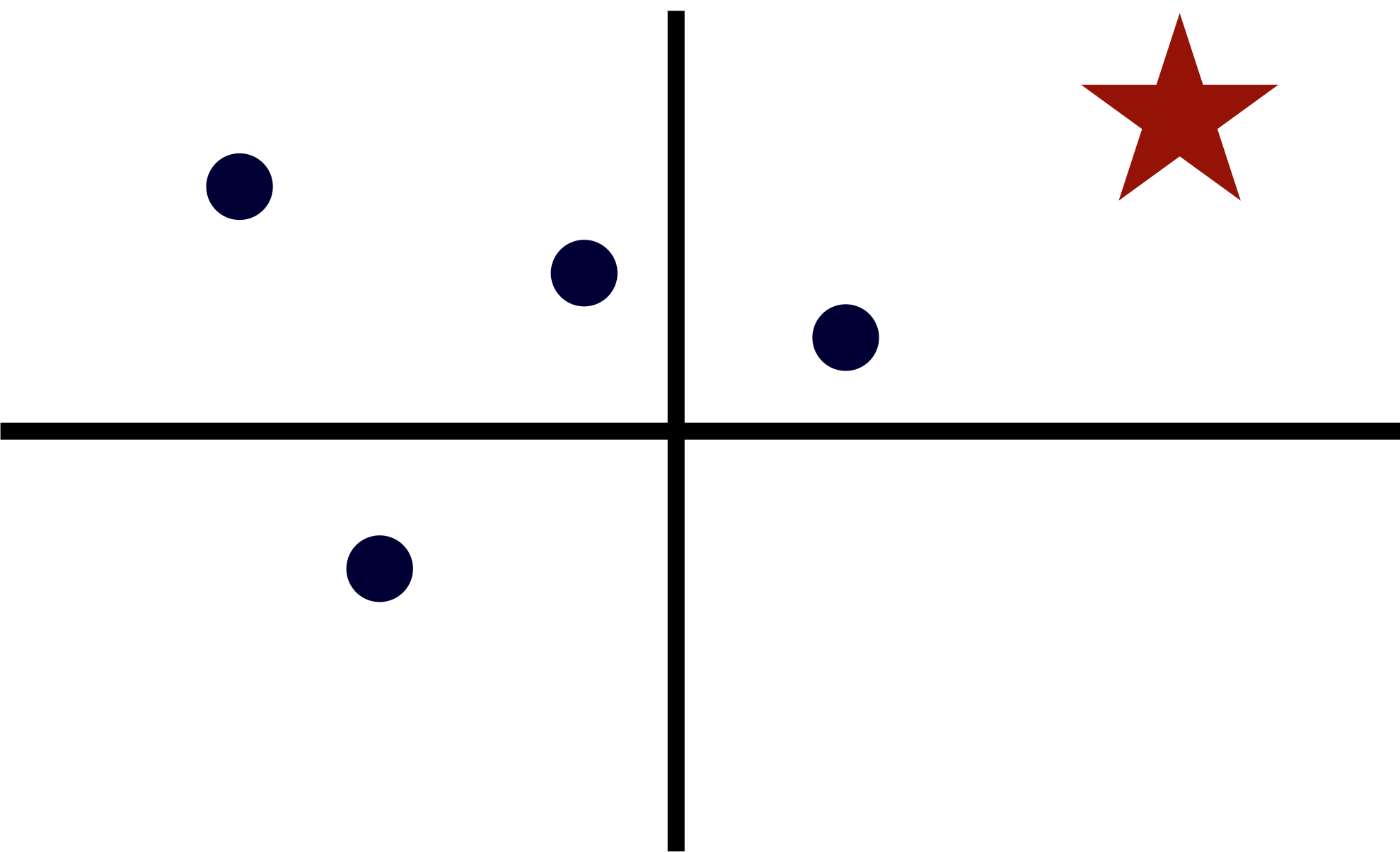
BE SPECIFIC

4. The competitors

- There must be!
- If none, the problem is worthless!

UNIQUE SELLING POINT

4. The competitors



	Feature 1	Feature 2	Feature 3
You	✓	✓	✓
Competitor 1			
Competitor 2			
Competitor 3			

5. The business model

- Money, money, money

KEEP IT SIMPLE!

6. The roadmap

- Your way to make it real!

PAST, PRESENT, FUTURE

7. Financial needs

- Break even point

FOR INVESTORS

8. The team

- People are **crucial** in this business
 - Credibility
 - Competencies



PEOPLE

The team

- Show your face!



Delivering the pitch

- Body language
- Visual aspect of your presentation (if any)
- Mind your speed and Keep calm
 - When delivering an elevator pitch, individuals are encouraged to remain flexible and adaptable, and to be able to deliver the pitch in a genuine and fluent fashion. By doing so, the intended audience of the pitch will likely be able to follow the information, and will not interpret it as being too scripted
- Engage with the audience (rhetorical questions)

Practice so much to become natural!

And most important

**LOVE WHAT YOU DO,
AND LET IT SHOW**

The 10/20/30 rule

- **Guy Kawasaki**

- American marketing specialist, author, and [Silicon Valley](#) venture capitalist
 - He was one of the [Apple](#) employees originally responsible for marketing their [Macintosh](#) computer line in 1984
 - He popularized the word *evangelist*, the problem is worthless!
-

10 (slides)

1. Problem
 2. Your solution
 3. Business model
 4. Underlying magic/technology
 5. Marketing and sales
 6. Competition
 7. Team
 8. Projections and milestones
 9. Status and timeline
 10. Summary and call to action
-

20 (minutes)

- At most!
- It depends on the event (typically less)

30 (min font size)

$\text{Math.max}(\text{AgeInYourInvestorsAudience})/2$

- Your audience
- Less text



Example



Company Purpose

—To become the primary outlet of user-generated video content on the Internet, and to allow anyone to upload, share, and browse this content.

Problem

- [Video files are too large to e-mail.
- [Video files are too large to host.
- [No standardization of video file formats.
- [Videos exist as isolated files.

Solution

- Consumers upload their videos to YouTube. YouTube takes care of serving the content to millions of viewers.
- YouTube's video encoding back-end converts uploaded videos to Flash Video.
- YouTube provides a community that connects users to videos, users to users, and videos to videos.

Market Size

- [Digital video recording technology is for the first time cheap enough to mass-produce and integrate into existing consumer products.
- [Broadband Internet in the home has finally reached critical mass, making the Internet a viable alternative delivery mechanism for videos.

Competition

- [OurMedia.org, Open Media Network, Google Video
- [PutFile, DailyMotion, Vimeo

Product Development

- [Community
- [Open architecture
- [Target vertical markets with a need for video content
- [Features currently in development

Sales & Distribution

- [Advertising
- [Act as a for-pay distribution channel for promotional videos
- [Charge members for premium features
- [Charge viewers for premium content

Team

- [Steve Chen: Recruited by Max Levchin as one of PayPal's first engineers; University of Illinois, Computer Science
- [Chad Hurley: PayPal's first designer, responsible for PayPal logo, main features, and design
- [Jawed Karim: CS Graduate student at Stanford University; Recruited by Max Levchin as one of PayPal's first engineers; University of Illinois, Computer Science

Metrics

- [Launched June 11th. Has already overtaken all previously existing competitors and is now the dominant player in this space.

Example



Dropbox

Moving the world's files

<http://www.getdropbox.com>

Storage is a mess

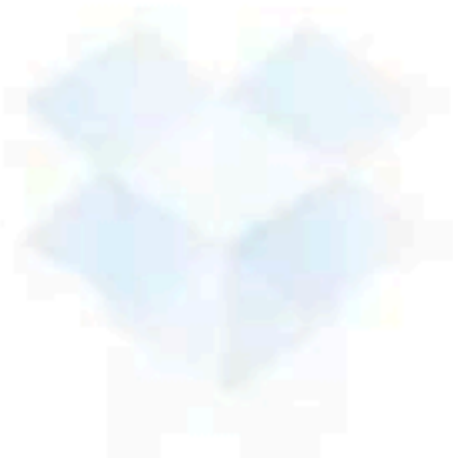


Dropbox
www.getdropbox.com



It's 2007, and it's *still* a pain to...

- **Work on multiple computers**
- **Share files across a team**
- **Put photos, video onto the web**
- **Protect files from loss**



Dropbox
www.getdropbox.com

What are people doing now?

- Email attachments
- USB drives
- Browser uploads
- Piecemeal solutions



Dropbox
www.getdropbox.com

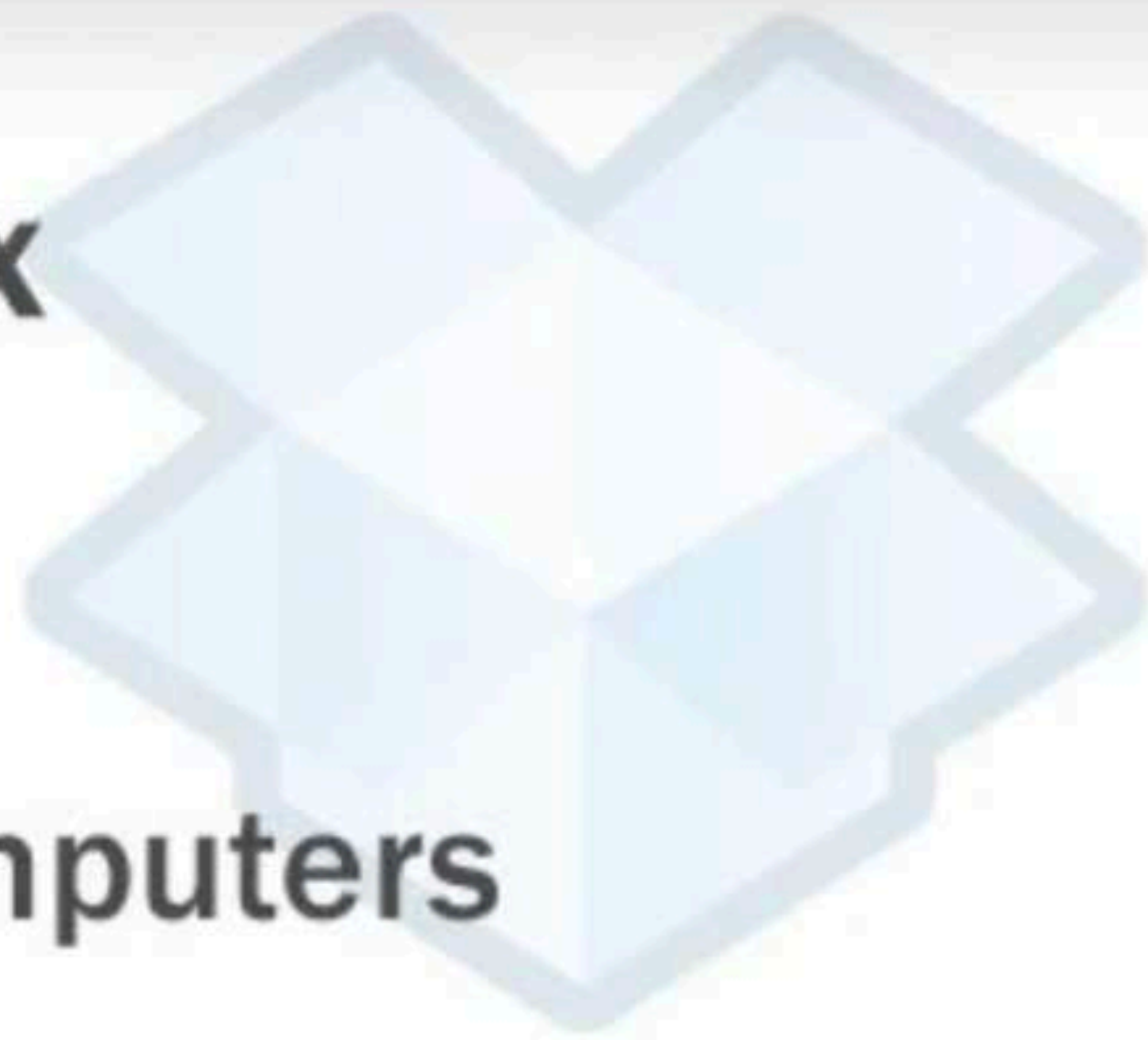
In a perfect world...

- **Your files available wherever you are, on any device**
- **Never worry about losing data, can always undo**
- **Sharing, putting media onto the web is drag-and-drop**



Dropbox
www.getdropbox.com

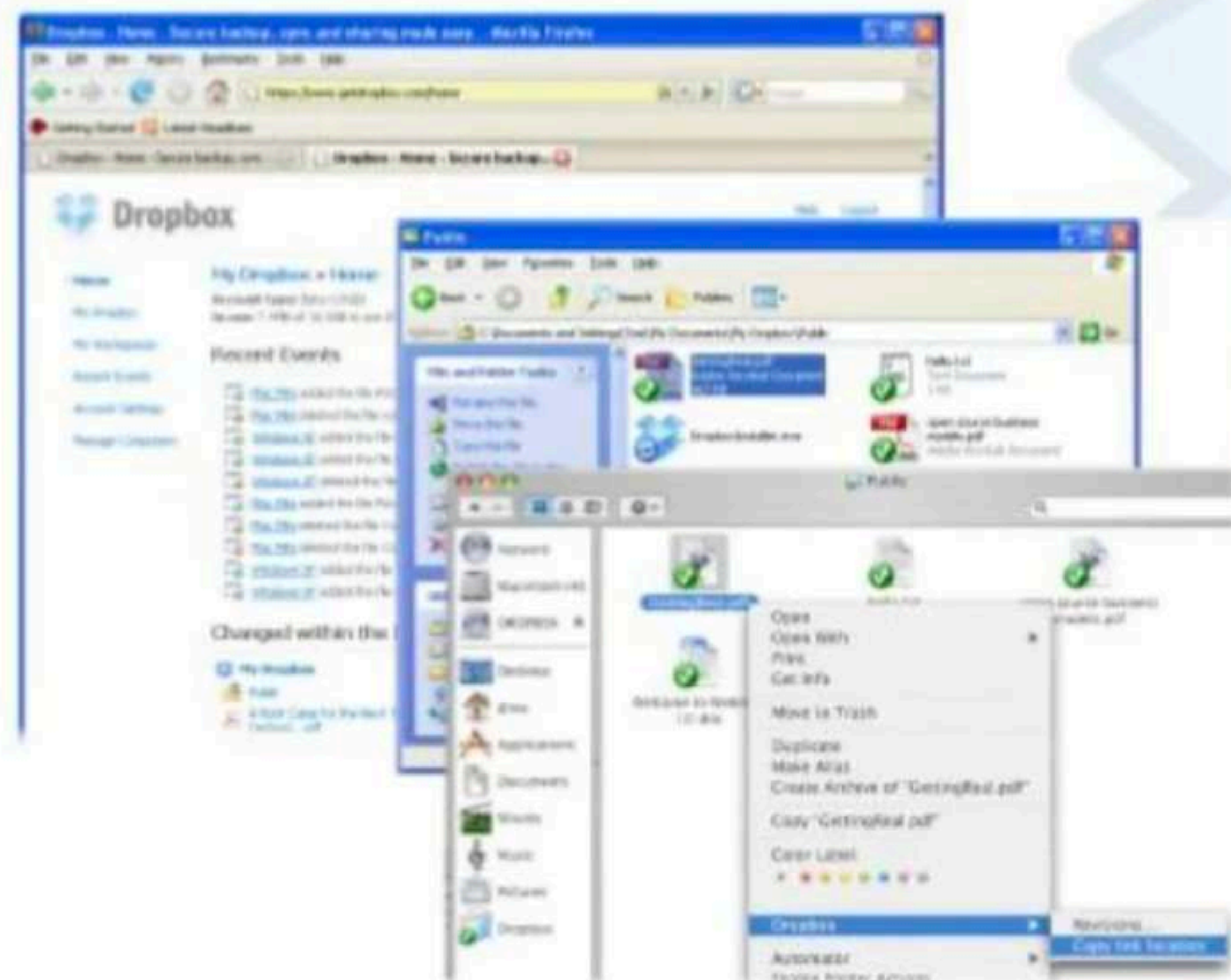
Dropbox



- **Keeps files:**
 - In sync across computers
 - Backed up
 - Accessible from anywhere
 - Easy to share
- **It just works**



Dropbox
www.getdropbox.com



Dropbox
www.getdropbox.com

Demo

Why now?

- Lots of devices, bigger files, more content
- Increasingly distributed/remote teams
- Falling bandwidth, storage prices
- Online storage is unclaimed, unmonetized territory, much like search pre-Google




Why better?

- Solves the *entire* genre of storage-related problems with one app
- Deep OS integration, visual feedback
- Doesn't make you change the way you work
- Open APIs to link desktop & web applications

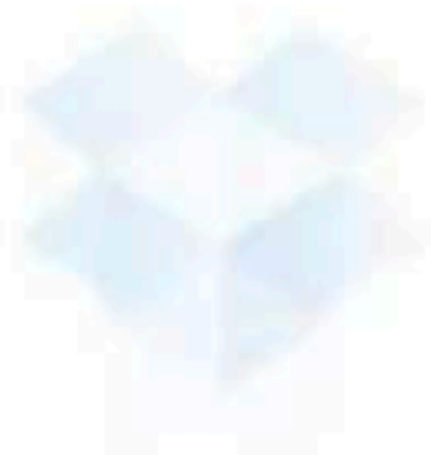


Competitors

	 Dropbox	Carbonite, Mozy	Foldershare	box.net
Sync	✓	✗	✓	✗
Backup	✓	✓	✗	✗
Sharing	✓	✗	✓	✓
OS integration	✓	✓	✓	✗
Web access	✓	✗	◐	✓
Versioning	✓	✗	✗	✗

What did they screw up?

- Only tackle small pieces of the problem
- Poor technical execution
- Clumsy, verbose & technical UIs; require configuration
- Lack of distribution, partners



Dropbox
www.getdropbox.com

Technical advantages

- Client & server written in Python: 5-10x faster development time
- Leverage Amazon S3, EC2 to achieve scale & reliability
- Obsession with performance
- Seamless compression, encryption, binary diffing, failure recovery

Team

- **Drew Houston – CEO**
S.B. MIT EECS; first line of code at age 6; first startup gig at 14; founded online SAT prep co after multiple perfect scores
- **Arash Ferdowsi – CTO**
S.B. MIT EECS (on leave); director of MIT programming competition; prior exp at Google



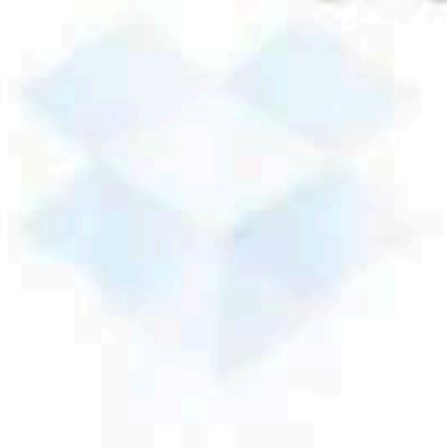
Moving into our first office, 5/14/07

Business model

- **Individuals: freemium**
- **SMB: shared folder per-seat license**
(replaces backup, Windows file share, collaboration tools, reduces IT headcount)
- **Platform: broker all UGC from the desktop to the web**

Platform

- Onramp for all UGC from desktop → web
- Convenient for users: drag and drop instead of sign-in and browser upload
- Beneficial for web apps: more content uploaded, less friction & fewer failures
- Bigger picture: all files in Dropbox, delegate access to web apps



Dropbox
www.getdropbox.com

Customer acquisition

- Loved by early adopters/beta users (natural influencers)
- Free accounts for individuals
- Viral elements: file sharing, shared folders, photo/media galleries
- Platform, partnerships → free customer acquisition



- Ranked #1 among summer YC startups:
“...the simplicity and elegance of its interface, which blends seamlessly into both Windows and OS X, sets it apart.”

<http://venturebeat.com/2007/08/16/the-y-combinator-list/>



Example



Welcome

1

AirBed&Breakfast™

Book rooms with locals, rather than hotels.

Price is a important concern for customers booking travel online.

Hotels leave you disconnected from the city and its culture.

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

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

Couchsurfing.com

660,000

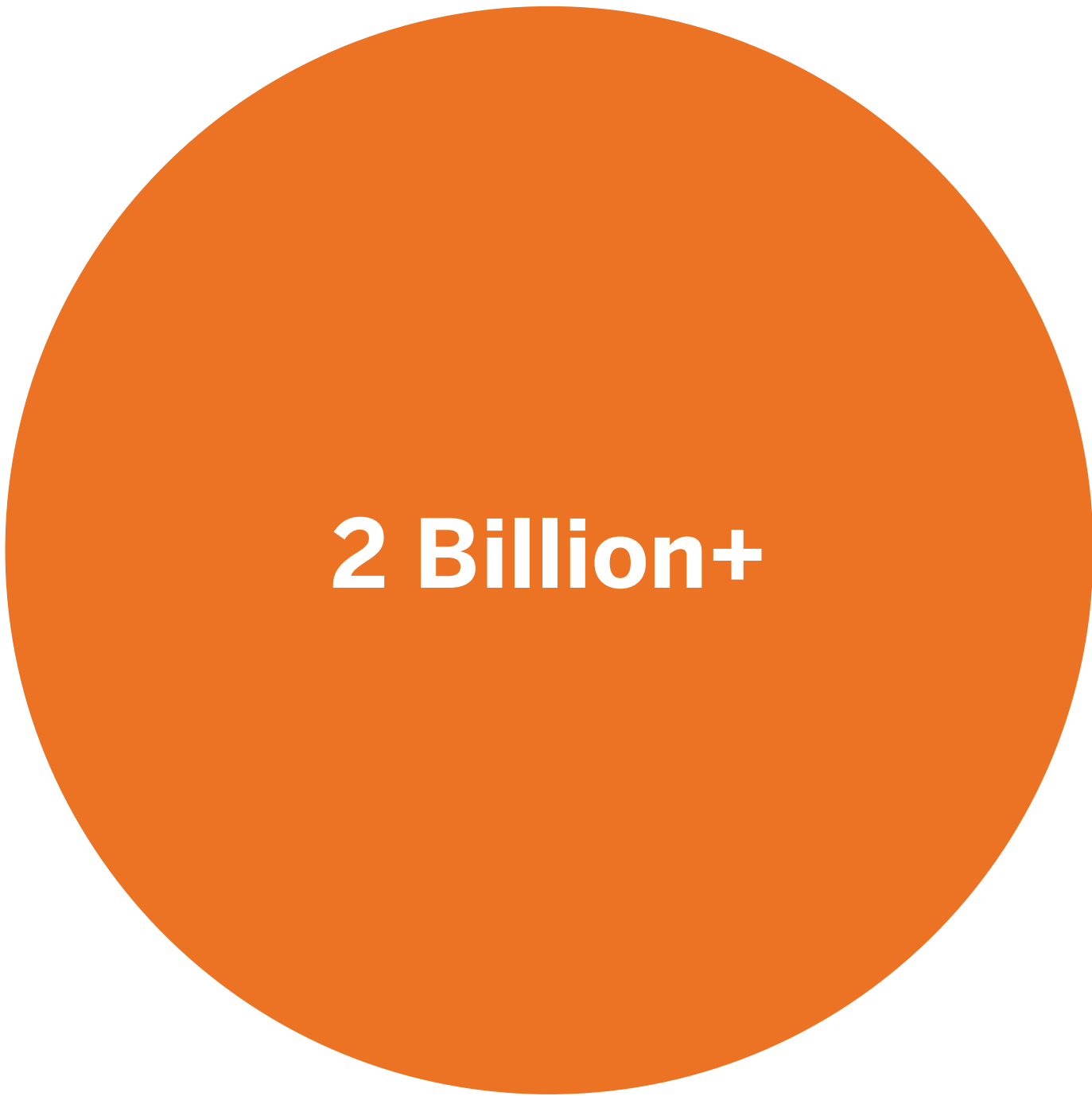
total users²

Craigslist.com

50,000

temporary housing listings per
week in the US. 07/09 – 07/16²

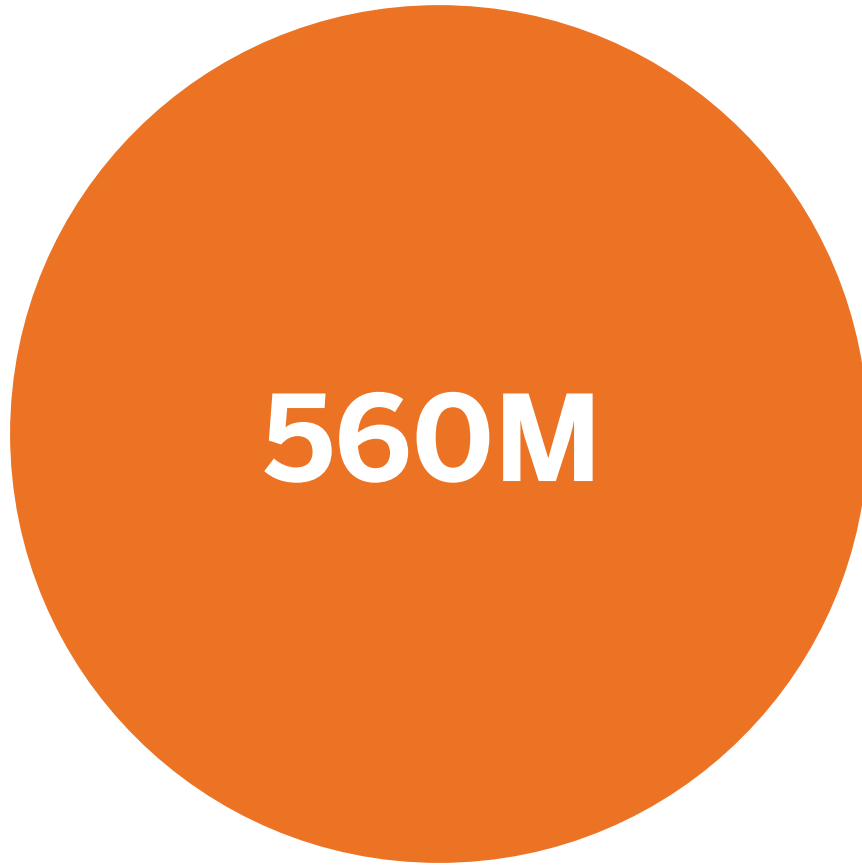
(1) www.couchsurfing.com
(2) www.craigslist.org



TRIPS BOOKED (WORLDWIDE)

Total Available Market

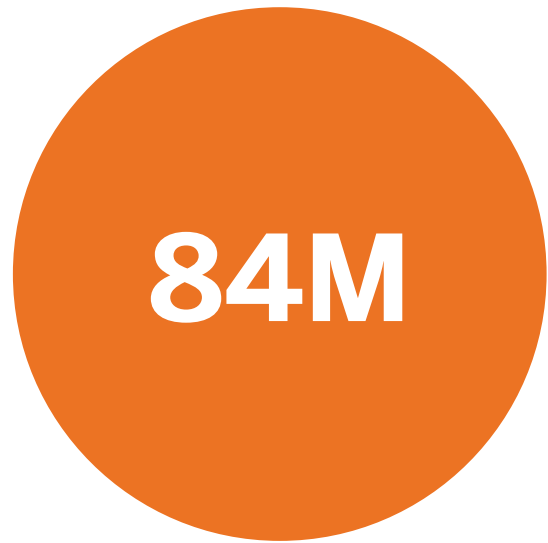
source: Travel Industry Association of America &
World Tourism Organization



BUDGET&ONLINE

Serviceable Available Market

source: comScore

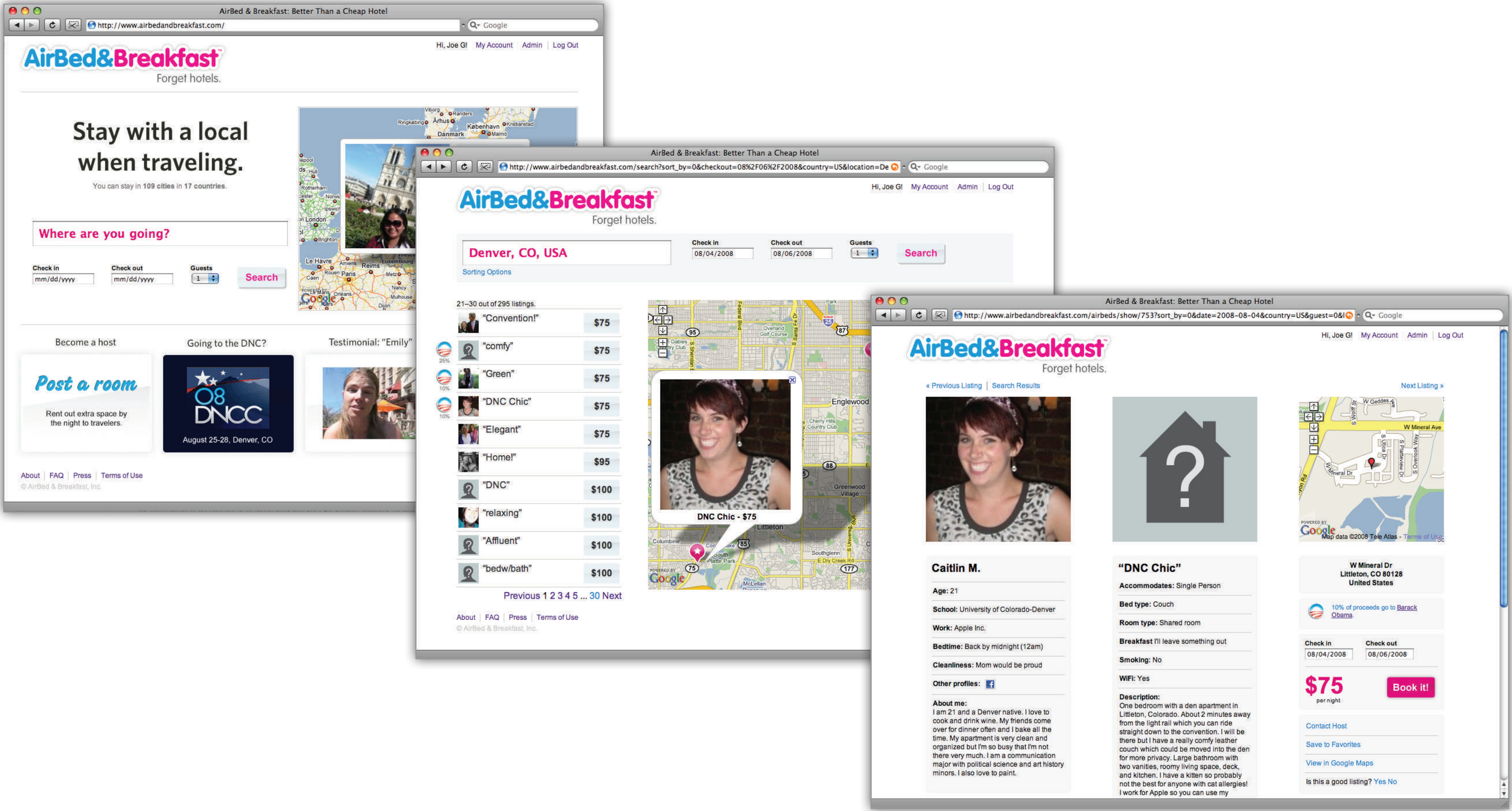


TRIPS W/AB&B

Share of Market

15% of Available Market

SEARCH BY CITY → REVIEW LISTINGS → BOOK IT!









Business Model

7

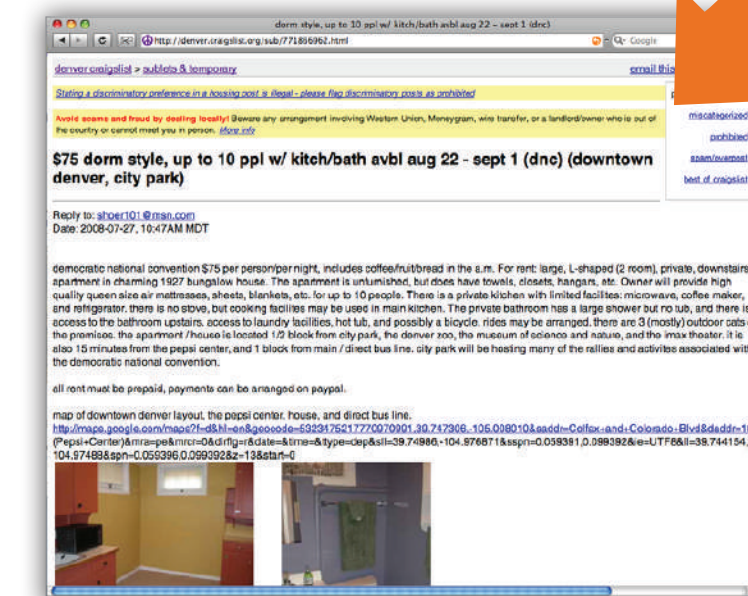
We take a 10% commission on each transaction.



8

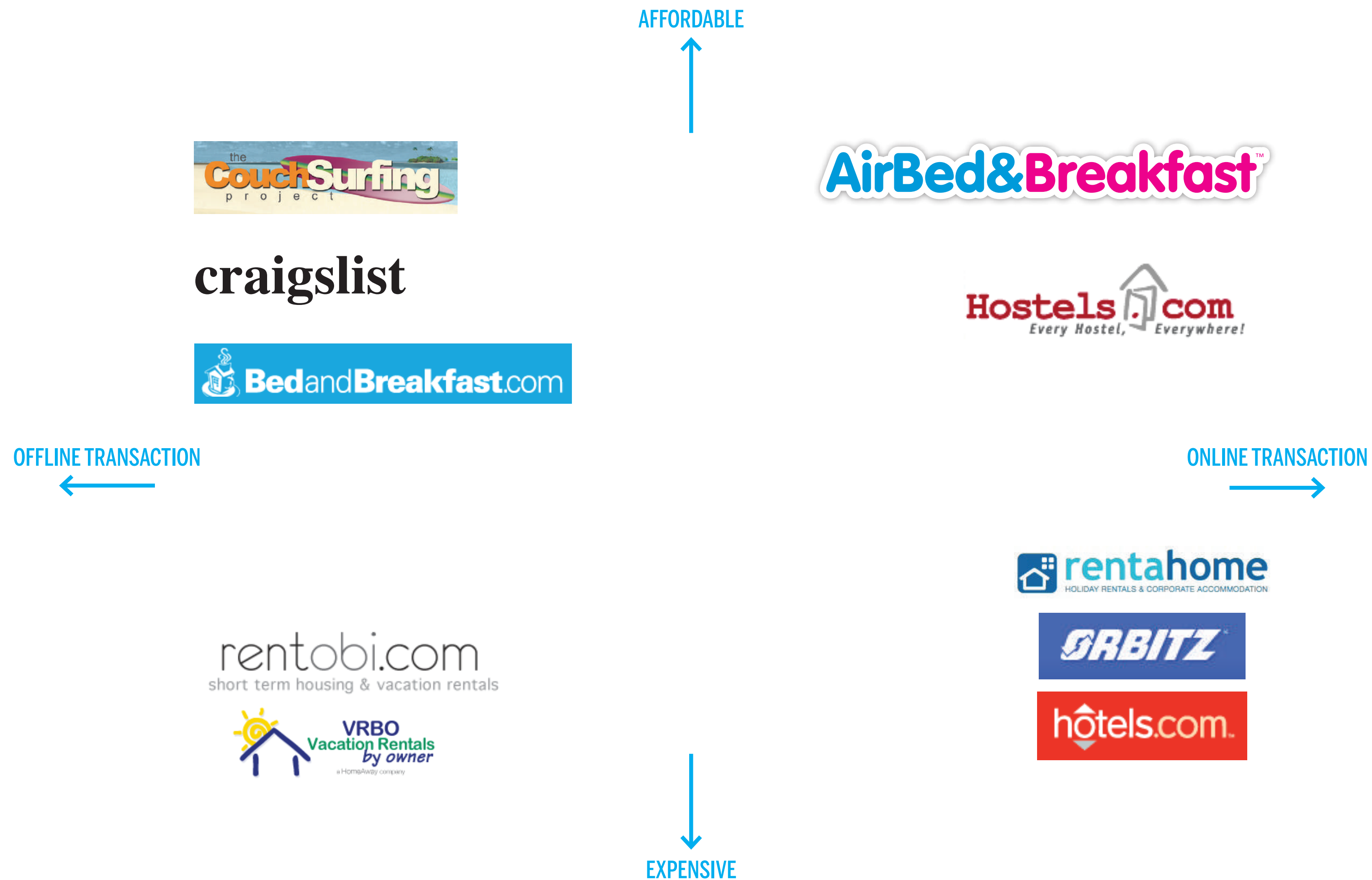
	
	"DNC Chic" \$75
	"Elegant" \$75
	"Home!" \$95
	"DNC" \$100
	"relaxing" \$100

[see all for "Octoberfest"](#)



Competition

9



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

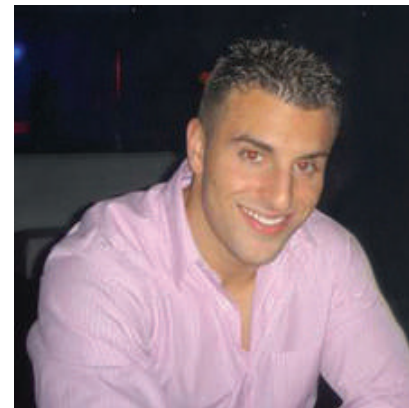
DESIGN & BRAND

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."

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

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

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



www.webware.com



www.joshspear.com



www.mashable.com



www.springwise.com

User Testimonials

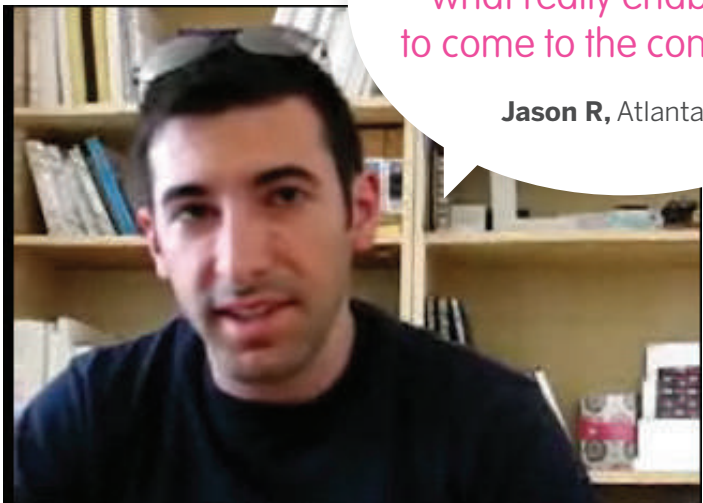
"AirBed&Breakfast freaking rocks!"

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

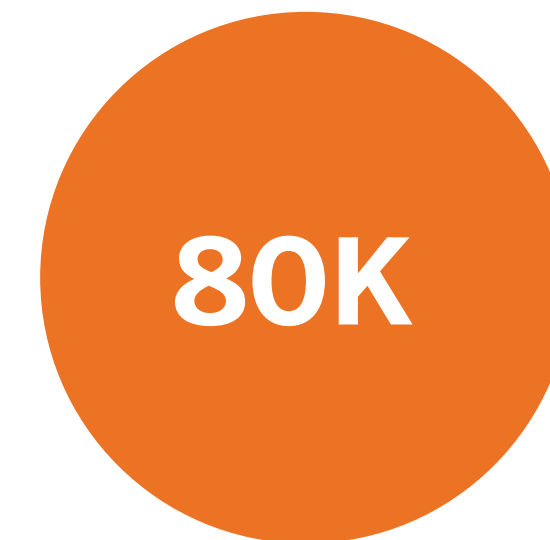


We are looking for 12 months financing to reach 80,000 transactions on AirBed&Breakfast.



ANGEL ROUND

initial investment opportunity



TRIPS W/AB&B

avg \$25 fee



\$2M

REVENUE

over 12 months



<https://www.youtube.com/watch?v=VCVRgpSPSVQ&t=6s>



<https://www.youtube.com/watch?v=XbbpqHp77dY&t=1001s>