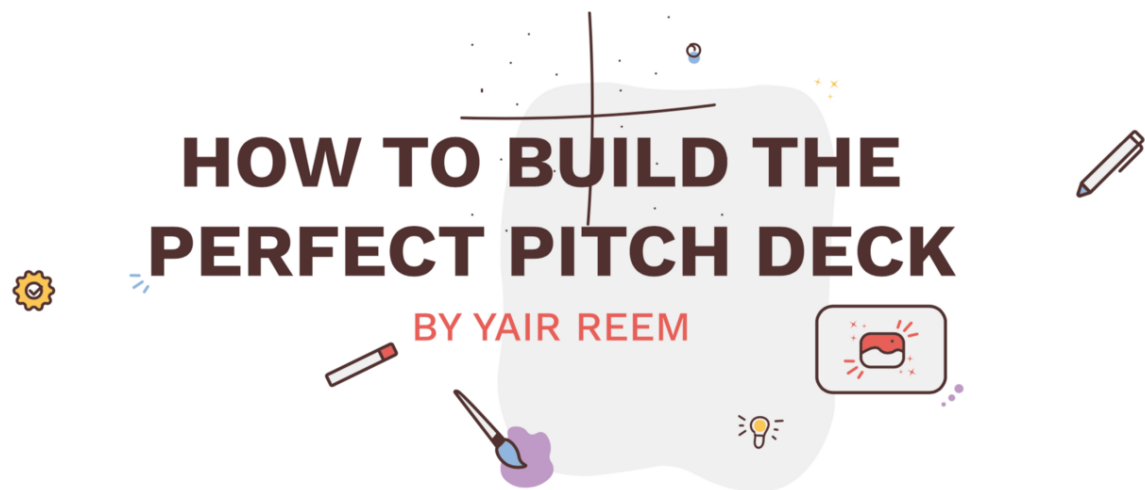


# Five Steps to Nail Your Pitch Deck

What you need to know to score a second meeting

[Yair Reem](#)

You have 1 free story left this month.



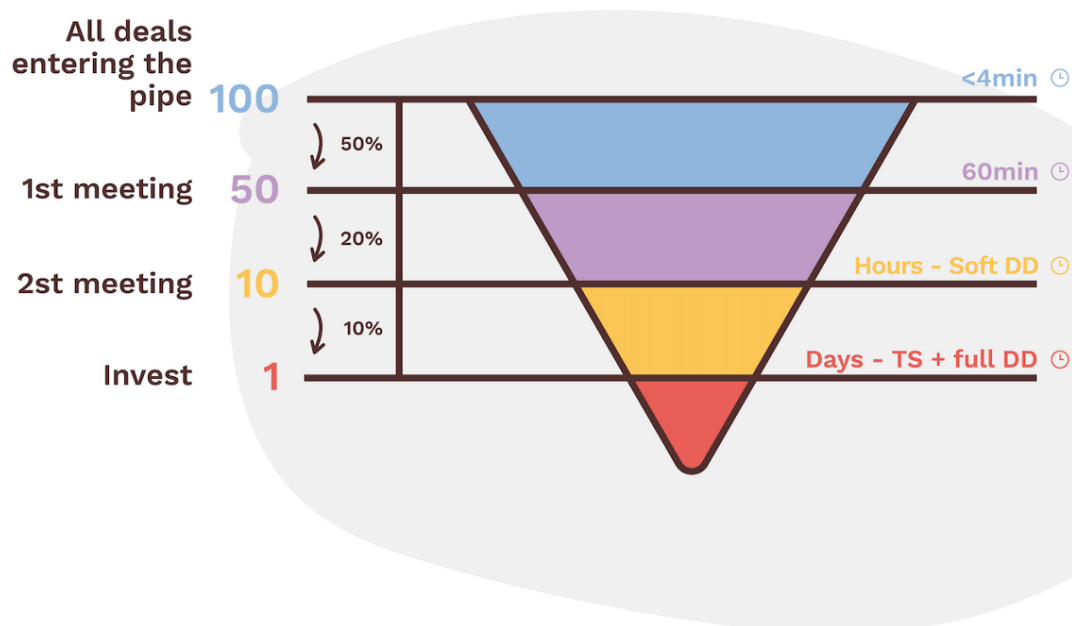
## Find your story

*3 minutes and 44 seconds.* That's the average amount of time a VC spends reading a 20-page early-stage pitch deck.<sup>1</sup> 12 seconds a page — if the investors read it at all.

**It's a common misconception that you need to cram everything** — all the details about what makes your idea unique — **into your pitch deck.** The reality is very different. When you're working with such a limited span

of time and attention, information overload is your worst enemy.

Instead, you've got to build your deck with one goal in mind: Grab the investors' attention, and fast. VCs receive hundreds of decks every year and have very limited resources. They quickly skim through and invite roughly 50% of the companies for a first 30–60 minute call or meeting with one member of their investment team. If you've targeted the right investor, your chances at a first meeting are as good as 90%.



VC deal-flow funnel vs. time spent with the entrepreneur

**Scoring a second meeting is the real challenge: VCs invite fewer than 20% of the companies they meet for a second meeting, where investors really start engaging.** In a second meeting, several members of the investment team will meet you and go over the nitty gritty of your business proposal. They will then spend several

hours to verify your story and assess the potential of your company (this is called “soft” due-diligence). Finally, they will have an in-depth internal discussion whether to continue the process or pass. Only 10% of the companies matriculate to the next stage (or 1% of all the companies that applied) — term-sheet, full due-diligence and finally receiving an investment.<sup>2</sup>

Having worked as a VC for many years and reviewed thousands of pitch decks as well as building my own, I can tell you **there’s only one way to get from the first meeting to the second one: Your pitch deck has got to tell a compelling and authentic story.**

Yes, you read that right. The key to fundraising is a good story, full of intrigue, excitement and adventure. **After all, VCs are human, and humans like stories.** Stories tap into our gut reactions, and we all — VCs included — use our guts to make the kinds of eyeblink decisions that will make or break your company’s shot at a second meeting.

Drawing on my extensive experience on both sides of the table, **I’ve developed a 5-step process that will help you turn your company’s story into a winning pitch deck.** Inspired by DevOps, I call it “ConDes,” as it merges storytelling (“Content”) and the design of the pitch deck (“Design”) from the very beginning. In Part II of this article I’ll explain how it works.

But before you can tell your company’s story in a way that

will make investors sit up and pay attention, you need to FIND your company's story. That's what we'll focus on, here, in Part I of this article.

## Why Stories? It's Science

First, I want to share with you insights taken from neuroscience and human psychology that will help you understand why stories matter and make a difference.

Neuroscience tells us that **we actually have three distinct brains**: the **reptilian**, responsible for flight-or-fight; the **limbic**, responsible for emotions; and the **neocortex**, responsible for things like thought and speech. We like to think that our rational neocortex does most of our thinking. However, it turns out that **we make most of our decisions emotionally, and then justify them with logic**. Our brains are so good at it we don't even know we're doing it.



### reptilian

Fundamental survival functions and instincts such as fight-or-flight and friend-or-foe



### limbic

Emotions and feelings, motivation, no speech capabilities (but gut feelings)



### neocortex

rational part, high order functions such as motorics, language and conscious thought

The triune brain is a model proposed by the American neuroscientist Paul D. MacLean in the 1960s

There's a good reason we don't use our neocortex more. Every day, we all make a massive number of decisions, small and large. If we had to consciously process them all, we'd burn a lot of energy.<sup>3</sup> Compared to other organs, the human brain is an energy guzzler and responsible for about 20 percent of our energy consumption.<sup>4</sup>

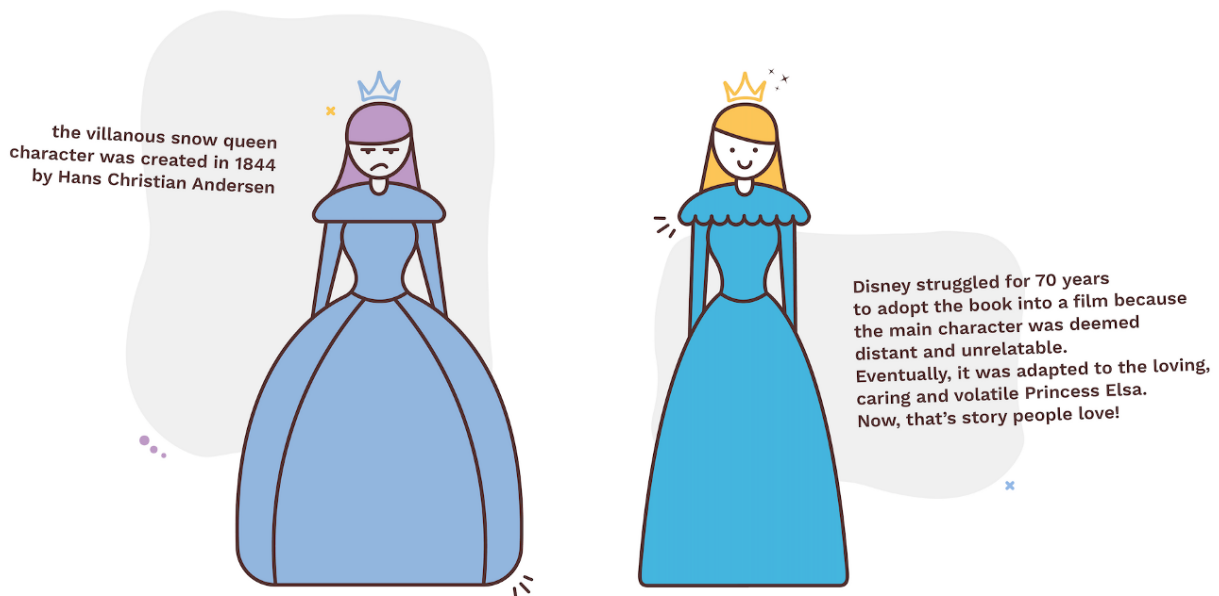
So our body looks for shortcuts to save energy. For most decisions, the brain falls back on known patterns stored in the subconscious. Cognitive resources are only used when clearly needed — say, in a second VC pitch meeting. Most of the time, we operate with just the reptilian and limbic brains, which ask only two questions: "Is it safe for me?" And, "Do I like it?"

Emotions influence how people eat, help, trust, procrastinate or price different products. They are also a crucial factor in how investors make initial decisions.

## **So what does this mean for your pitch deck?**

Stories provoke an emotional response — excitement, anger, sadness, empathy or enthusiasm.<sup>5</sup> A good story makes us feel something for the person telling the story, which helps create connection and trust. **Stories go directly to our reptilian and limbic brains and answer their questions with a firm YES — this is safe, and I like it!**

People, VCs included, listen to stories. They also remember them, and even more importantly, they remember how the story made them feel. **Stories and emotions live long after your presentation is over.**



It took Disney 70 years to come up with its all-time best animated movie

Quite often I see presentations that try to influence investors to invest or customers to buy by presenting many facts and figures and a reasoned argument. Yet, **science tells us people make emotional, not rational, decisions most of the time!**

Ouch...that hurts. Especially if you're an engineer (like me...) who was taught to believe in the overarching power of math, physics and good technology products. But trust me, the sooner you embrace these ideas, the faster your pitch is going to get noticed.

Remember: **Your goal, with your pitch deck, is not to convince the investor to invest, but to schedule a**

**second meeting.** Therefore, you should not present sets of facts and figures, but rather tell a really good story.

## **So the big question is: What is your story?**

**A good story has all the elements of a Hollywood blockbuster movie:** drama, excitement, vulnerability, and triumph. Every screen-ready story has a hero who comes up against a villain. The two confront each other, and eventually the hero wins, then lives happily ever after.

If you think about it, you can find these elements in your company's story, as well. In your case, maybe you encountered old out of date products (the villain) that were standing in the way of productivity in your industry. But your company's innovative product (the hero) came along to do battle with the villain. In the end, the hero (your product) will prevail and make us all happy.

In my experience working with companies, **the very hardest part of the process is taking the textbook idea I've laid out above and turning it into YOUR own original story.**

When I consult a company that's looking to find their story, I like to use **two complementary approaches** to start my client's thinking about their story.

**The first focuses on you, the entrepreneur, and the**

**second focuses on the customer.** These two stories are always there — you just need to find them. Once you've come up with both stories, you will probably have a sense of which story is stronger, or you might decide on a mix of the two.

## The Hero's Journey

The first story, which highlights the founder, is the classic "Hero's journey" story. In this tale, **the emphasis is on WHY you decided to start the company, where you come from and what motivates you.** Making the story personal gives you the best shot at bonding with your audience.

A classic founder-centered story might sound something like this: "I've been a hobby pilot for 20 years. It may not be well-known, but flying a helicopter is as dangerous as riding a motorcycle. So when I get in the helicopter, I ask my passengers to help me spot other air-traffic — because there is no aviation system that can do that. Every year lack of traffic and terrain detection causes many casualties around the world. Therefore, I decided to start a company that develops an autonomous pilot system. This system will gradually improve, starting out by assisting the pilot and finally replacing the pilot all together".

In that case the pitch deck is not going to be focused on



the specifics of your product, but instead **it's going to be all about you sharing your vision of the world.**

**Changing the frame and connecting the story to a greater good makes people feel connected,** and fills them with a desire to help.

## **So how do you get started?**

I like to use [Simon Sinek's](#) approach to "Find Your Why". According to Sinek —

*"People don't buy what you do; they buy why you do it. And what you do simply proves what you believe."*

**Well, the same applies to investors.** On the "why" discovery journey, Sinek suggests beginning with gathering stories and sharing them. By looking to your company's past and teasing out the most significant threads — the experiences you collectively had, the people you've been influenced by, the lives you've touched — you can identify patterns. These themes become the foundation of your WHY Statement. Then you can draft and refine your WHY statement (To\_\_\_(your contribution), so that\_\_\_ (your impact)). The next step is to state your HOW, which is the way you bring your WHY to life. While other companies may express their WHY in a way that is similar to yours, it's the HOW that makes you unique.

**Finding your WHY is not the full story. But it is the**

**beginning, and will form the overarching narrative of the entire story.**

## **The New Game**

The second approach to storytelling that I take with my clients is to **focus their story around their customer**. As popularized by [Andy Raskin](#), this approach to your story doesn't start with "I am" but instead with a description of a major fundamental change that is going on the world. This is what Andy calls the "Old Game," and the message is basically that change is imminent and will impact every one of us. Those who will not adapt will disappear. But if you do adapt, then you reach a promised land of greater performance and success. *(Just think of the companies that did introduce remote working, videoconferencing and digital offices long before COVID-19 and those who didn't...)*

**This approach is less emotional than the first one, but it introduces a sense of urgency to your story.** Another advantage is that it puts you in a different league than your competition (because you're addressing the "New Game" world, while they are stuck coming up with "Old Game" solutions).

## **Your Story is Your Strategy**

Once we've got both stories, it's time to play with

combining them. **A good way to combine the two approaches is to start with the big imminent change, then say you have witnessed the change first-hand and tell your WHY.**

As you'll see, **your story covers all elements of your business and is actually strongly related to your company's strategy** (such as the sales and go-to-market strategy). As Ben Horowitz, co-founder of top-tier VC firm Andreessen-Horowitz said —

*"Your Story is Your Strategy".*

No matter which approach you take to tell the story (usually it is a mix) please remember, ***your story isn't about what products can do, but what people can do with those products, how it affects them.***

For example, Garmin Aviation recently launched [Autoland](#), a flight system that in the event of an emergency will control and land the aircraft without human intervention. It took Garmin over a decade to develop Autoland and connect it to all the aircraft systems. And yet, **in the Autoland marketing web page there is not a single word on the technology behind the product. There is only a picture of a plane, a family and a statement: "protect your most precious cargo".** This is because the product is aimed at private hobby pilots who have their families on board and want to protect them in case the pilot is unconscious.



Garmin, General Aviation [webpage](#), June 5, 2020

This is storytelling at its best. This is also how you should think about your story: who are my customers? Why do they buy my product?

## Summary — stories matter

If you're raising money for your business, a pitch deck is a key component in your fundraising toolkit.

**Counterintuitive as it may be, the goal of your pitch deck is not to raise money. Rather, you want your pitch deck to spark interest in your company and score you a second meeting with the investor** (where investors really start to listen and engage).

Science tells us that the best way to grab people's attention and engage in a meaningful conversation is by telling a compelling story. Yet, finding your own compelling story may not be easy. I like to use the Hero's Journey and New Game methods to figure out the right

story.

The next step, is to turn your story into a winning pitch deck. In [Part II](#) of this series of articles, I'll explain how to do it using a process that I developed. I will also bring real examples of the phases a slide goes before it is ready.

Stay tuned.

## [Five steps to nail your pitch deck — Part II](#)

### [What you need to know to score a second meeting](#)

[medium.com](https://medium.com)

Big thanks go out to Sally and to Nicolai for providing feedback on earlier versions of this article. Many thanks to [Alessandro](#) for the colorful illustrations.

## References:

<sup>1</sup> [Docsend fundraising research](#)

<sup>2</sup> Based on own historic data plus [Grayscale](#), [Homebrew](#), and [Speedinvest](#)

<sup>3</sup> How do we really make most of our decisions? | [CIO](#)

<sup>4</sup> [Why Branding Matters](#), Bob Hardt

<sup>5</sup> [The science of storytelling](#)

# About Yair Reem

*I am a founder, investor, board member and sparring partner to entrepreneurs across the globe. Engineer by trade, a Storyteller by heart. I engage with leadership teams to craft a narrative — a compelling and authentic strategic story — to power success in sales, marketing, fundraising and recruiting. Together, we design winning pitch decks, frame communication strategies and build go-to-market plans. I am also passionate about climate action and invest in technologies that can help reduce greenhouse gases emissions. To learn more or get in touch, visit [www.yairreem.com](http://www.yairreem.com)*