

Trajectory Series Bootcamp – Session 2

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Agenda

- ▣ Pitch Deck Rubric Scoring
- ▣ Research
- ▣ Data Room basics
- ▣ Homework

10 or 13 Slides?

Two Use Cases - Two Decks

Slides for Stage

- ▣ 10 Slides
- ▣ It's a contrived event
- ▣ Check boxes for hitting required elements
- ▣ Supporting Slides

Slides for Conf Room

- ▣ 13 Slides
- ▣ It's about the dialog and understanding the investor's questions
- ▣ + Supporting Slides

10/13 Slides for Your Pitch

1. Startup Name, Logo, tagline
2. Problem
3. Solution
4. Product / how it works
5. Revenue Model/Pricing
6. Market Size
7. Go-To-Market
8. Competition
9. Traction
10. Roadmap
11. Clear Ask/What do you need from the program
12. Team
13. Thank you slide – contact info, website

[Blog Post](#)

Story Narrative or Arc

- ▣ There's a list of checkbox items – check the boxes
- ▣ What's the customer's life before your product and after your product
- ▣ Minimum viable personality



BREAD

BE THIS
ONE



BACON

What Makes a Great Story

▣ The StoryBrand 7-Part (SB7) Framework

- Make your audience the hero. You are not the hero of your brand story. ...
- Define your audience's problems. ...
- Be a guide with a solution. ...
- Create a clear plan. ...
- Include a clear call to action. ...
- Discuss the potential for failure. ...
- End your story with success.

Famous Pitch Decks

- ▣ 30 Famous Pitch Decks
 - ▣ Facebook, LinkedIn, etc
 - ▣ Early to later stage
 - ▣ Not all had great graphics
- ▣ Uber, AirBnB, Facebook examples

Value Proposition

Positioning

- ▣ Positioning is holding a place in your customer's mind – not as everything, what's memorable?
- ▣ Who is the initial customer
- ▣ Think about limiting service and customer first – before you expand
 - ▣ You're not precluded from selling other services or products
- ▣ What claim or promise will you make?

Don't Bury the Lead

- ▣ Think of this like journalism
- ▣ What's the headline?
- ▣ What's the Lead?
- ▣ What's the Story?

Testing

- ▣ Each pitch is a rapid A/B testing
- ▣ Look for 1:Many opportunities to test your value proposition
 - ▣ Trade shows
 - ▣ Peers
- ▣ Test tag lines

Branding

- ▣ You don't have a big budget – so you can't afford brand advertising
- ▣ Start with brand neutral and build
- ▣ Memorable
- ▣ Phonetically easy to spell
- ▣ Avoid double letters, etc

Taglines

- ▣ The one sentence summary
- ▣ Pull from the Madlibs Pitch
- ▣ Benefits to customer – not features
- ▣ Simple
- ▣ Evolve with the company

Exercise

- Write out:
 - What makes you different?
 - Why should people buy from you?
- Write your websites tagline and opening paragraph
- What claim/promise will you make
- Write your DRAFT Unique Selling Proposition
- Compare this to your Pitch

Dave's Madlibs Pitch

Hi, I'm <your name here>, and my company <your Company name here> the problem I'm solving is <insert problem here>. Our product <insert product info here> is designed for our target customer of <insert target customer here>. We make money by <insert method here> and our team is the right team because <insert why you're awesome here>. I need help with <insert help needed here>.

Product

Product Vision

- ▣ Product vision is important
 - ▣ Long term features
- ▣ Startup with PROBLEM not product – pivot product/features around the problem
- ▣ It won't be what you ship first
- ▣ What the world looks like before your product
- ▣ What the world looks like after your product

Minimum Viable Product (MVP)

- ▣ Narrow and list features
- ▣ PowerPoint/Keynote first as your demo
- ▣ What screens do you need to show (e.g. do you need to really show registration – answer no)
- ▣ Have them rank the features
- ▣ Prioritize the build based on the feedback
- ▣ More Customer Development Interviews!

Product Roadmap

- ▣ What Features, When
- ▣ Quarterly targets based on
 - ▣ Budget
 - ▣ Available developers

Cost to Build

Estimating Costs

- Write specification
 - Required for launch
- Design & Flow
 - Post project on Fiverr.com
 - PPT/Keynote first with design
- Test design and flow
- Revise specification

MVP Mechanics

- MVP Series
 - [Blog 1](#) – Launching a product
 - [Blog 2](#) – Writing a spec
 - [Blog 3](#) – picking a vendor
 - [Blog 4](#) – Contracts, Monitoring Progress

- Cost to market and sell – Next Month!

Company Roadmap

Company Roadmap

- ▣ Quarterly Targets
 - ▣ Product
 - ▣ Milestones
 - ▣ People
 - ▣ Hires
 - ▣ # and who
 - ▣ Customers
 - ▣ Onboarded
 - ▣ Revenue
 - ▣ Cash out date

This is a
Supporting Slide

Roadmap Cont.

- ▣ Roadmap is NOT dependent on fundraising
 - ▣ If you raise capital, you move things forward in the roadmap
 - ▣ E.G. items from Q4 move to Q2 next year
- ▣ Where will you be in 18 and 36 months
- ▣ Does it map to your financial model
- ▣ Maps to use of proceeds

Quarterly Roadmap – 18 Months

Quarterly Milestones	Q1 2021		Q2 2021		Q3 2021		Q4 2021		
		Priority (ABC)	Impact (H/M/L)		Priority (ABC)	Impact (H/M/L)		Priority (ABC)	Impact (H/M/L)
Marketing Customer Acquisition (Owner)									
Marketing Budget	\$4,500								
Marketing Channels	Trade Show					Trade Show			
New Marketing Qualified Leads	22			30		38			45
Leads passed to sales									
Return on Adversiting Spend (ROAS)									
LTV:CAC Ratio	4.7			5.1		5.5			5.7
Sales									
Reps headcount									
SDR/Customer Success headcount									
New Sales Qualified Leads	8			10		12			15
New Closed Customer	2			3		4			5
Time to Close									
Average Contract Value (ACV)									
Repeat Customers	4			6		8			10
Revenue (Owner)									
Billings	Revenue Splits								
Major Accounts									

Highlight Key Milestones

- ▣ This is a bit of an eye chart, so highlight key milestones
- ▣ Product ship dates
- ▣ First revenue
- ▣ Key hires

Company/Product Roadmap Examples



Product Roadmap Infographics



Due Diligence

DD

- ▣ Data Room
 - ▣ Google Drive (now)
 - ▣ OneHub (later)
- ▣ Components
 - ▣ Incorporation Docs
 - ▣ Employment/Contractor PIAs
 - ▣ Contracts
 - ▣ Terms of Service

Common Mistakes

- ❑ Lost or incomplete docs
- ❑ Not museum quality
- ❑ No reporting
 - ❑ Taxes
 - ❑ Filings
- ❑ Poor chart of accounts and reconciliation

Customer Development

Customer Development

- ▣ Parallel process with Product Development
- ▣ “Get out of the Building”
- ▣ Develop for a few not Many
- ▣ Prioritize features based on Needs not Wants
- ▣ Validate with Revenue/Commitment

Customer Development Goals

- ▣ Acute focus on **problem** – not product
- ▣ Find out if customers care?
- ▣ What do they want?
- ▣ Determines the difference your product at launch and at scale
- ▣ Feature priorities & Product Roadmap

Customer Development Questions

MIKE FISHBEIN

A

The Ultimate List of Customer Development Questions



I've had a few requests for this post. I've compiled all of my favorite customer development questions into one place! I'm sure I've missed some great questions. Please let me know your favorites in the comments sections and I'll continually update this post.

<https://mfishbein.com/the-ultimate-list-of-customer-development-questions/>

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Customer Dev Mechanics

- ▣ Google Forms
- ▣ Structured questions
 - ▣ Progression
 - ▣ Easy to Hard
 - ▣ What do you really want to know?
 - ▣ Will they pay for it? How much
 - ▣ Why will it fail
- ▣ Neutral, not Guided Questions

Customer Dev Mechanics, Cont

- Build a list of interested parties
 - Mail Chimp List setup
 - Ask for permission to email
 - Monthly updates –
 - Format: “What we did, what we’re going to do and where we can use your help”
- Regular frequency – be predictable

What Not To Do

- ❑ You are not the customer
- ❑ Don't tolerate a small sample set – this could delay your success by **Years**
- ❑ Avoid “Selection Bias”
 - ❑ “Isn't our product amazing”
- ❑ No rhetorical questions
- ❑ No blind surveys
- ❑ Can't outsource

How Many Customer Interviews

- B2B – 25+
 - Profile
 - Job Title
 - Type of Company
- B2C – 50+
 - Demographic
- ㄟ(ツ)ㄟ = bad

Fundraising Note

You have opinions
You have Data
You get money!



Investors have opinions
They have money



Hypothesis vs Fact

- If you are convinced you're right you won't be open to radical feedback that could change the trajectory of your business & life!
- Always testing what you think you know
- Permission to give negative feedback
 - If this idea was to fail, why would it fail?
 - Why is this idea stupid?

THANKS!

Awkward Co-Founder Discussions

Everyone Has Expectations

- ▣ Set up a [process](#) to get the expectations out in the open
- ▣ Pre-Incorporation
 - ▣ Meeting 1 of 2
 - ▣ Why do you want to do this
 - ▣ Capital in vs out
 - ▣ Timing of life
 - ▣ Passion
 - ▣ Go to [Startup Equity Calculator](#)

Co-Founders – Part 1

Startup Equity Calculator - To Get Started

Welcome to the [Co-Founder Equity Calculator](#)! It is based on almost 3 years of one-on-one discussions with entrepreneurs through the co-founders meetup and 8 editions of the [startup conference](#).

Fill out as many of the questions below as possible. If the question doesn't apply to your situation, leave the answer blank. For questions where selecting multiple founders is allowed, try to limit your selection to one or two founders, not everyone.

What this calculator doesn't do: it doesn't handle salaries, co-founders who invest significant cash, or co-founders who join long after the first version of a product has shipped.

For projects that are heavily design-oriented, it's ok to replace the questions about development by design, but keep in mind that you need developers as well.

This calculator is experimental. If you don't like the results, [drop me an e-mail](#) with details and I'll try to make improvements. Thanks!

Also try the [Venture Capital Funding Calculator](#): will VCs invest in your startup or not?

If you need legal advice for your early-stage startup, I recommend [Grellas Shah](#) in Silicon Valley. That firm was founded by one of the more respected [commenters](#) on Hacker News.

Other good stuff to read: [Startup Trends 2017](#) / [Google salaries hurting startups](#) / [Famous Co-Founder Issues](#)

The Questions

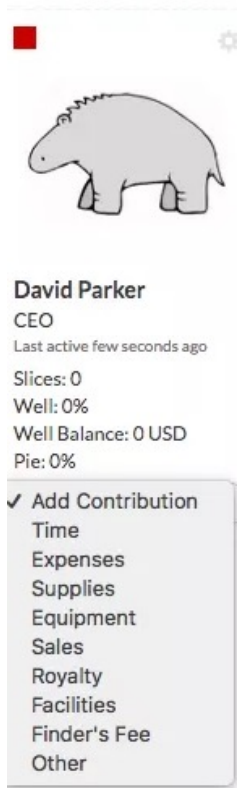
Question	Founder 1	Founder 2	Founder 3	Founder 4
Who is the CEO?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Which founders are coding most of the site/app?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Who had the original idea and told the others?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If you could magically hire a few developers, would one of the founders become their manager, and if so, who?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Which founders are working part-time and will join full-time once you get funding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If this founder left, it would severely impact your chances of raising funding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If this founder left, your development schedule would be severely impacted	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Co-founders, part 2

- Meeting 2 of 2
 - Print out a copy- bring it to the meeting
 - How far off are you? What responsibilities?
- At Incorporation
 - Reverse vesting schedule
 - What happens when someone leaves?
- Option pool 20%
- Why 50/50 is the only wrong decision

Post Incorporation

- ▣ Milestones/Deliverables
- ▣ Slicing Pie
 - ▣ Market rates
 - ▣ Don't over inflate
 - ▣ Track time and contribution
 - ▣ Regular meeting
 - ▣ Weekly standups
- ▣ Make HR changes fast – they won't get easier



David Parker
CEO
Last active few seconds ago
Slices: 0
Well: 0%
Well Balance: 0 USD
Pie: 0%

- ✓ Add Contribution
- Time
- Expenses
- Supplies
- Equipment
- Sales
- Royalty
- Facilities
- Finder's Fee
- Other

Dave's Madlibs Pitch

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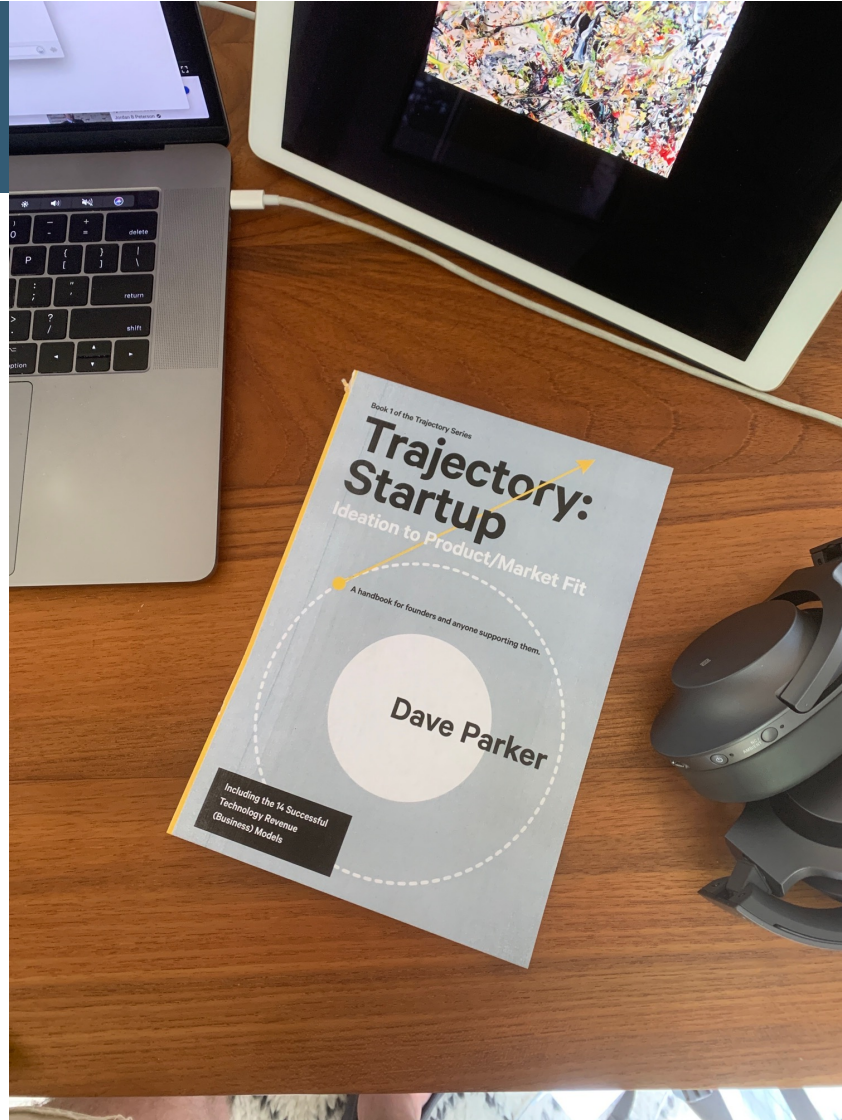
Session 1 Deliverables

- Track your Venture Ready Score Before/After
 - What can you do over the next 90 days to improve
- Start drafting your 13 slides
- List your research, competition and sources
- Outline your Market including your TAM, SAM, & SOM (hint, it's a number)
- Write is your pre-mortem – if you were to fail, why would you fail
- Draft your value proposition
- Outline your existing and required Customer Development data

Session 1 Deliverables

- 1. Title, Value Proposition, Contact Info**
 2. Traction
 - 3. Problem/Solution**
 - 4. Market – TAM, SAM, SOM**
 - 5. Timing/Competition**
 6. Product Roadmap/Demo
 7. How You Make Money/Key Metrics
 8. Go-To-Market
 9. Secret Sauce/Moat/IP
 - 10. Team**
 11. Clear Ask
- Supporting Slides – Roadmap, etc.

[Blog Post](#)



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